

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Telecommunications Carriers Eligible to	)	
Receive Universal Service Support	)	
	)	WC Docket No. 09-197
Petition of LTS of Rocky Mount, LLC for	)	
Limited Designation as	)	
An Eligible Telecommunications Carrier	)	WC Docket No. 11-42
Pursuant to Section 214(e)(6) of the	)	
Communications Act In the States of Alabama,	)	
Connecticut, Delaware, Florida, New Hampshire,	)	
New York, North Carolina, Tennessee,	)	
the Commonwealth of Virginia,	)	
and the District of Columbia	)	

**AMENDED PETITION FOR LIMITED DESIGNATION AS  
AN ELIGIBLE TELECOMMUNICATIONS CARRIER**

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## **Summary**

LTS of Rocky Mount, LLC (“LTS” or the “Company”), pursuant to Section 214(e)(6) of the Communications Act of 1934, as amended, (the “Act”), and Sections 54.201 – 54.202 of the Rules of the Federal Communication Commission (“Commission”), petitions the Commission for designation as a wireless eligible telecommunications carrier (“ETC”). As described in greater detail herein, LTS meets the requirements for Commission designation as an ETC and is committed to complying with the rules and requirements applicable to ETCs.

LTS files this Amended Petition to provide information about its customer service contacts and includes a minor addition to its list of study areas for service in Exhibit C. The Company also confirms it will ask Lifeline applicants, in the states identified herein, whether the applicant or anyone in their household receives Lifeline service and will identify major Lifeline providers in the state. LTS also clarifies that a LTS employee will be responsible for reviewing and finalizing all Lifeline enrollments.

Sections 214(e) and 254 of the Act and the Commission’s rules expressly authorize the FCC to designate LTS as an ETC. Specifically, Section 214(e)(6) of the Act provides that the FCC may confer ETC status on a common carrier where the carrier’s services do not fall subject to the jurisdiction of a state commission. Section 214( e)( 6) permits the Commission to grant ETC designation in those states where the state has affirmatively stated an ETC Petitioner is not subject to state jurisdiction. Alabama, Connecticut, Delaware, Florida, New Hampshire, New York, North Carolina, Tennessee and Virginia and the District of Columbia each have stated that they lack jurisdiction over wireless service providers and, consequently, Commission review and approval of LTS’ Petition is warranted.

Grant of ETC status to LTS will be in the public interest as LTS’ provision of Lifeline-supported services will further the Commission's goals of the Lifeline program by increasing the

service options available to low-income consumers. LTS offers affordable and reliable telecommunications services to low-income end user customers and the Company's wireless Lifeline services will provide subscribers with free handsets and a generous number of free minutes or discounted minutes that can be used for voice calls or text messages. The prepaid nature of LTS' wireless service offerings will enable consumers to enjoy the benefits of wireless service without being subject to varying monthly charges, long term contracts or the extensive credit reviews which historically have limited the availability of wireless service to many Americans. Introducing LTS into the market as an additional wireless ETC provider will afford low-income Americans a wider choice of providers and available services while creating a competitive marketplace as ETCs compete for a finite number of Lifeline-eligible customers. This increased competition in the market will encourage service and product quality improvements among competitors vying for subscribers in both wireline and wireless markets.

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Comes now, LTS of Rocky Mount, LLC (“LTS” or the “Company”), by its attorneys and pursuant to Section 214(e)(6) of the Communications Act of 1934, as amended, (the “Act”), 47 U.S.C. § 214(e)(6), and Sections 54.201 – 54.202 of the Rules of the Federal Communication Commission (“Commission”), 47 C.F.R. §§ 54.201-54.202, respectfully petitions the Commission for designation as an eligible telecommunications carrier (“ETC”). This petition is filed for the limited purpose of receiving Lifeline Universal Service support in the States of Alabama, Connecticut, Delaware, Florida, New Hampshire, New York, North Carolina, Tennessee, the Commonwealth of Virginia, and the District of Columbia (hereafter “Federal Jurisdiction States”). LTS does not request ETC designation for the purposes of receiving support from any of the other federal Universal Service Funds (“USF”) nor does the Company seek support from the Link Up program.

The Company is regulated as a common carrier under Commission rule § 20.9(a)(10) which provides that mobile satellite service involving the provision of commercial mobile radio service (“CMRS”), by licensees or resellers, directly to end users shall be treated as common carriage services. Each of the Federal Jurisdiction States has asserted that it lacks jurisdiction to designate a CMRS provider as an ETC (see Exhibit A). Therefore, pursuant to Section 214(e)(6) of the Act, the Commission has jurisdiction to review and grant the Company’s request for ETC designation in these jurisdictions.<sup>1</sup> Grant of LTS’ application is in the public interest as LTS meets the requirements for designation as an ETC and is prepared and willing to provide Lifeline services to low income consumers throughout the Federal Jurisdiction States.

## **I. OVERVIEW OF THE COMPANY**

LTS is a competitive local exchange carrier and a North Carolina limited liability company, with headquarters in Pensacola, Florida. The Company intends to operate as a mobile virtual network operator (“MVNO”) and will provide wireless telecommunications services to low income consumers throughout the Federal Jurisdiction States by reselling the services of Sprint and Verizon Wireless.<sup>2</sup> In particular, LTS will obtain access to network infrastructure and wireless transmission facilities from Sprint and Verizon and will use these facilities to enable LTS to provide domestic voice and data services primarily to low income consumers. LTS’ wireless Lifeline services will provide subscribers with free handsets and a generous number of free minutes or discounted minutes that can be used for voice calls or text messages.

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<sup>1</sup> 47 U.S.C. §214(e)(6). *See also, e.g., See Federal-State Joint Board on Universal Service; Promoting Deployment and Subscribership in Unserved and Underserved Areas, Including Tribal and Insular Areas*, 15 FCC Rcd 12208 (2000). LTS currently does not anticipate providing service in tribal territories. If LTS’ plans change, the Company will submit a copy of this petition to any affected tribal governments or tribal regulatory authorities for which the Company is seeking designation. *See* 47 C.F.R. § 54.202(c).

<sup>2</sup> LTS purchases wireless services from Reunion Communications which in turn purchase services from Sprint and Verizon Wireless.

LTS anticipates that its customer base will include low-income consumers, the majority of which may not have had phone service prior to enrollment in the Lifeline program. These subscribers likely are unable to meet the credit checks, deposit requirements, and/or contractual commitments required by traditional telephone service. These consumers will benefit from LTS' attractive service offerings and low, competitive service rates.

LTS' service offerings will be geared toward low-income consumers and its service models and pricing plans will reflect this focus. Consumers will not be required to enter into service contracts nor will they have to undergo credit checks. Moreover, subscribers will be provided with a user-friendly, E911-compliant handset. In addition, the attractive service rates, generous free minutes and value-added service features such as text messaging and Caller ID will benefit these typically underserved consumers.

LTS will market its Lifeline services and manage all aspects of the customer experience including establishing service rates, selecting handset options, and providing live customer service. LTS' focus on meeting the needs of low income consumers and management of the daily service operations will ensure consumers receive quality services. Designating LTS as an ETC will increase competition in the market and encourage other service providers to improve their service offerings, thereby, benefitting low income consumers.

The Company is seeking to avail itself of the Commission's conditional grant of forbearance from the Act's "owned-facilities" requirement.<sup>3</sup> Therefore, LTS has filed a Compliance Plan with the Commission's Wireline Competition Bureau in accordance with the

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<sup>3</sup> See *Lifeline and Link Up Reform and Modernization et al.*, 27 FCC Rcd 6656 (2012) ("Lifeline Reform Order"); See also 47 U.S.C. § 214(e)(1)(A).

directive of the Commission's *Lifeline Reform Order*.<sup>4</sup> The Compliance Plan contains very detailed information about the Company and is incorporated herein by reference. The Compliance Plan is attached hereto as Exhibit B.

## **II. THE COMMISSION HAS JURISDICTION OVER LTS' DESIGNATION REQUEST**

Section 254(e) of the Act provides that "only an eligible telecommunications carrier designated under Section 214(e) shall be eligible to receive specific Federal universal service support."<sup>5</sup> Section 214(e)(1) of the Act reserves the authority to designate entities as ETCs to state public utility commissions ("PUCs"). However, pursuant to Section 214(e)(6), the Commission may designate as an ETC "a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission."<sup>6</sup> The Commission has established that a carrier must demonstrate that it "is 'not subject to the jurisdiction of a state commission'"<sup>7</sup> before the Commission may consider an application for ETC designation.<sup>8</sup> The Commission also has stated that any carrier seeking ETC designation from it must provide the Commission with an "affirmative statement" from the state PUC that it

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<sup>4</sup> *Id.*; See also *Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order*, Public Notice, DA 12-314 (rel. Feb. 29, 2012) ("Compliance Plan Public Notice").

<sup>5</sup> 47 U.S.C. § 254(e).

<sup>6</sup> 47 U.S.C. § 214(e)(6).

<sup>7</sup> See *id.* § 214(e)(6).

<sup>8</sup> See *Procedures for FCC Designation of Eligible Telecommunications Carriers Pursuant to Section 214(e)(6) of the Communications Act*, CC Docket No. 96-45, Public Notice, 12 FC Rcd 22947, 22948 (1997).



lacks jurisdiction to perform the ETC designation.<sup>9</sup> The Federal Jurisdiction States have each made clear that they lack authority to perform ETC designations for wireless carriers such as LTS. Supporting documentation from the Federal Jurisdiction States is attached as Exhibit A.

LTS certifies that each state for which LTS seeks ETC designation from the Commission has asserted that it lacks jurisdiction over the wireless services that LTS seeks to provide as a Lifeline-only ETC. LTS therefore seeks ETC designation from the Commission pursuant to Section 214(e)(6).<sup>10</sup> Accordingly, for each of the Federal Jurisdiction States, LTS requests that the Commission exercise its authority under Section 214(e)(6) and determine that LTS is “a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission.”<sup>11</sup>

### **III. LTS SATISFIES COMMISSION REQUIREMENTS FOR ETC DESIGNATION**

Section 214(e)(6) of the Act and Section 54.202 of the Commission’s rules, outline the requirements that must be met before the FCC can designate the carrier as an ETC. As set forth below, LTS meets these requirements.

#### **A. LTS is a Common Carrier**

Section 332(c)(1)(A) of the Act states that CMRS providers will be regulated as common carriers.<sup>12</sup> In addition, the Commission has held that CMRS resellers like LTS are treated as

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<sup>9</sup> See *Federal-State Joint Board on Universal Service; Promoting Deployment and Subscribership in Unserved and Underserved Areas, Including Tribal and Insular Areas*, 15 FCC Rcd 12208, 12264 ¶ 113 (2000).

<sup>10</sup> 47 U.S.C. § 214(e)(6).

<sup>11</sup> *Id.*

<sup>12</sup> 47 U.S.C. § 332(c)(1)(A).

common carriers for regulatory purposes.<sup>13</sup> Consequently, LTS is regulated as a common carrier in connection with its provision of CMRS.<sup>14</sup> As such, LTS certifies that it is a common carrier under 47 U.S.C. §§ 214(e)(1) and 214(e)(6) for purposes of ETC designation.<sup>15</sup> Therefore, LTS meets the ETC requirement of being a common carrier.

**B. LTS Certifies It Will Comply with the Service Requirements Applicable to the Support the Company Receives**

Section 54.202(a)(1)(i) states that in order to be designated an ETC under section 214(e)(6), a common carrier must certify in its application that it will comply with the service requirements applicable to the support that it receives.<sup>16</sup> The Company certifies that it will provide all of the telecommunications services supported by the Lifeline program.<sup>17</sup> In particular, LTS will provide Voice Telephony services that enable voice grade access to the public switched telephone network or its functional equivalent to all qualified consumers throughout the Federal Jurisdiction States. In addition, LTS' service will provide an amount of local usage free of charge in each universal service rate plan.

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<sup>13</sup> See, e.g., *Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services*, 9 FCC Red 1411, 1425 ¶ 37, 1454-55 ¶ 102 (1994) (wireless resellers are included in the statutory "mobile services" category, and providers of cellular service are common carriers and CMRS providers); 47 U.S.C. § 332(c)(1)(A) ("mobile services" providers are common carriers); see also *PCL4 Petition for Forbearance for Broadband PCS*, 13 FCC Rcd 16857, 16911 ¶ 111 (1998) ("We concluded [in the *Second Report and Order*] that CMRS also includes the following common carrier services: cellular service, ... all mobile telephone services *and resellers of such services*." (emphasis added)).

<sup>14</sup> 47 C.F.R. §20.9. LTS also is a common carrier by virtue of its current provision of CLEC and IXC services in North Carolina.

<sup>15</sup> 47 U.S.C. §§ 214(e)(1), (e)(6).

<sup>16</sup> See 47 C.F.R. § 54.202(a)(1)(i); see also 47 U.S.C. § 214(e)(6).

<sup>17</sup> 47 C.F.R. § 54.201(d)(1).

LTS intends to offer Lifeline service plans that include 150, 250, 360, and 660 minutes. The 360 and 660 minute plans each include at least 150 free anytime voice minutes. The 150 and 250 minute plans are offered to Lifeline subscribers at no monthly charge and the 360 and 660 minute plans are available at a prepaid charge of \$6.00 per month and \$15.00 per month, respectively. All of the plans include domestic long distance service at no additional per minute charge, and calls to 911 emergency services are always free regardless of service activation status or availability of minutes. Unused minutes for the 150 minute plan are rolled over each month and the rolled over minutes are available for 30 days. Unused minutes for the 360 and 660 minutes plans are rolled over each month and are available for 90 days. Rollover minutes are not available in the 250 minute plan.

Wireless Lifeline subscribers can purchase additional bundles of minutes in denominations of \$10.00, \$16.00, \$ 21.00 and \$27.00 with airtime prices ranging from \$0.10 to \$.042 per minute. These airtime “top up” minutes can be purchased at retail agent locations including Friendly Check locations in North Carolina, indirect agent locations in Florida, online and by telephone. Text messaging is available in the 150, 250 and 360 minute plans at a rate of one (1) text per one (1) voice minute and at a rate of two (2) texts per (1) voice minute in the 660 minute plan. In addition to the free voice services, LTS’ wireless Lifeline offerings include a free handset as well as the value-added features of call waiting, voicemail and Caller ID.

LTS’ wireline Lifeline service offering includes unlimited local and long distance services for a set monthly charge. The value-added features of call waiting and Caller ID are available plan options. LTS will also provide access to emergency services which includes access to both 911 and E911 services to the extent the local government has implemented such

services.<sup>18</sup> LTS will meet all requests for E911 service from local public service answering points to the extent local governments in LTS' service area have implemented 911 or enhanced 911 systems. LTS will comply with any Commission requirements regarding E911-compatible handsets. Calls to 911 emergency services are always free regardless of service activation status or availability of minutes.

In its *Lifeline Reform Order*, the FCC stated that toll limitation would no longer be deemed a supported service.<sup>19</sup> "ETCs are not required to offer toll limitation service to low-income consumers if the Lifeline offering provides a set amount of minutes that do not distinguish between toll and non-toll calls."<sup>20</sup> LTS' offerings inherently allow Lifeline subscribers to control their usage, as its wireless service is offered on a prepaid, or pay-as-you-go, basis. LTS' wireless service is not offered on a distance-sensitive basis, and local and domestic long distance minutes are treated the same. Pursuant to the *Lifeline Reform Order*, subscribers to such services are not considered to have voluntarily elected to receive toll blocking service.<sup>21</sup> The Company will provide toll limitation service to its wireline customers by including in its service offering a pre-set domestic long distance limit at no additional charge to the subscribers. The Company does provide restrictive blocks, at no charge to customers, for blocking of usage-based calling features such as 3-way calling, call return, 900 calls, etc. LTS will not seek reimbursement for toll limitation service.

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<sup>18</sup> *Id.*

<sup>19</sup> *See Lifeline Reform Order*, ¶ 367

<sup>20</sup> *See id.*, ¶ 49.

<sup>21</sup> *See Lifeline Reform Order*, ¶230.

**C. LTS Will Provide Lifeline-Supported Services by Reselling the Services of Sprint and Verizon Wireless**

To be eligible for federal universal service support, the Act provides that an ETC must offer the services supported by federal universal service support mechanisms throughout a service area “either using its own facilities or a combination of its own facilities and resale of another carrier’s services.”<sup>22</sup> However, in its *Lifeline Reform Order*, the Commission decided to “forbear, on [its] own motion, from applying the Act’s facilities requirement of section 214(e)(1)(A) to all telecommunications carriers that seek limited ETC designation to participate in the Lifeline program, subject to certain conditions.”<sup>23</sup> These conditions require compliance with certain ETC obligations, including: providing E911-compliant handsets and replacing non-compliant handsets, at no charge to the subscriber, providing 911 and E911 service regardless of activation status or number of prepaid minutes available, filing and having approved a compliance plan which includes specific and detailed information regarding the applicant’s service offering, measures to be taken to implement ETC obligations and measures to be taken to prevent waste, fraud and abuse.<sup>24</sup> LTS commits to complying with these requirements and believes that it is in satisfaction of these conditions. The Company is submitting for review, concurrently with this Petition for ETC Designation, a Compliance Plan that specifically identifies how the Company is satisfying these conditions.<sup>25</sup> Accordingly, LTS is not required to meet the “own facilities” requirement of Section 214(e)(1)(A).

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<sup>22</sup> See 47 U.S.C. § 214(e)(1)(A).

<sup>23</sup> See *Lifeline Reform Order*, ¶ 368.

<sup>24</sup> See *Lifeline Reform Order*, ¶¶ 368, 373.

<sup>25</sup> *Id.* The Compliance Plan contains detailed information about the Company and is incorporated herein by reference. (See Exhibit B.)

**D. LTS Will Provide Service Throughout its Designated Service Area**

LTS commits to provide Lifeline service, including all of the supported services, throughout its designated service area, consistent with all applicable requirements. LTS' requested designated ETC service area is its wireless coverage area, which includes the telephone company wire centers and study areas identified Exhibit C.

**E. LTS Will Advertise the Availability of Its Lifeline Service Offerings Throughout its Designated Area**

The Company commits to advertising the availability of its Lifeline services, and the charges for such, using media of general distribution,<sup>26</sup> and in a manner reasonably designed to reach those likely to qualify for the service.<sup>27</sup> LTS will ensure its Lifeline advertising materials comply with the requirements of revised Commission rule 54.405(c). Specifically, LTS' advertising materials will state, in clear, easily understood language: (1) that the service is supported by Lifeline; (2) that Lifeline is a government assistance program; (3) that the service is non-transferable; (4) that only eligible consumers may enroll in the program; (5) that the program is limited to one discount per household; (6) that documentation is necessary for enrollment; and (7) the Company's Lifeline Application will state that consumers who willfully make a false statement in order to obtain the Lifeline benefit can be punished by fine or imprisonment or can be barred from the program.<sup>28</sup> LTS also will disclose its name on all marketing materials.<sup>29</sup> These statements will be included in all print, audio video and web materials (including social networking media) used to describe or enroll customers in the

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<sup>26</sup> See 47 U.S.C. § 214(e)(1)(B).

<sup>27</sup> See 47 C.F.R. § 54.405(b).

<sup>28</sup> *Lifeline Reform Order*, ¶ 275; 47 C.F.R. § 54.405(c).

<sup>29</sup> 47 C.F.R. § 54.405(d).

Company's Lifeline service offering, as well as the Company's application forms and certification forms.<sup>30</sup> Examples of the Company's advertising are included in its Compliance Plan, attached hereto as Exhibit B.

**F. Geographic Service Area**

The Company requests ETC designation for the rural and non-rural study areas provided in Exhibit C.<sup>31</sup> LTS understands that its service area includes the service areas of several rural carriers, however, the public interest factors discussed below and the Commission's precedent in granting ETC designation in such areas justifies this designation as an ETC for purposes only of participation in the Lifeline program.

**G. Five-year Plan**

The Company is a common carrier seeking designation as an ETC in order to provide supported services only under subpart E, Universal Service Support for Low-Income Consumers, of Part 54 of the Code of Federal Regulations and does not need to submit a five-year plan.<sup>32</sup>

**H. LTS is Able to Remain Functional in Emergency Situations**

LTS will use Sprint and Verizon as underlying network providers for its wireless services. As a result, the Company has access to the extensive and well-established Sprint and Verizon Wireless networks and facilities and believes that these networks are capable of ensuring functionality without an external power source by maintaining a reasonable amount of back-up power; rerouting traffic around damaged facilities; and managing traffic spikes resulting

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<sup>30</sup> *Id.*

<sup>31</sup> The Company intends to offer Lifeline services throughout the Federal Jurisdiction States in phases.

<sup>32</sup> *See* 47 C.F.R. § 54.202(a)(1)(ii).

from emergency situations. Accordingly, LTS will be able to comply with the requirement that the Company remain functional in emergency situations.<sup>33</sup>

**I. LTS Will Satisfy Applicable Consumer Protection and Service Quality Standards**

LTS will satisfy applicable consumer protection and service quality standards in accordance with 47 C.F.R. § 54.202(a)(3). The rule states that a wireless ETC applicant's commitment to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service ("CTIA Consumer Code") will satisfy the Commission's consumer protection and service quality requirement.<sup>34</sup> The Company, a wireless carrier, commits to comply with the CTIA Consumer Code to ensure it offers its subscribers the highest level of protection and quality service.<sup>35</sup> LTS' pledge to comply with the CTIA Code, evidences the Company's commitment to satisfy the applicable consumer protection and service quality standards. LTS' subscribers can reach the Company's customer service representatives by dialing 611 from their handsets or by calling (877) 439-1010 from any telephone. Calls to customer service made from the subscriber's handset will not reduce the minutes available in the subscriber's service. LTS' customer service representatives are available Monday through Friday, 8 a.m. to 6 p.m., and Saturday 9 a.m. to 4 p.m.

**J. LTS has the Financial and Technical Capability to Provide Lifeline Services in Compliance with the Commission's Rules**

Revised Commission rule 54.202(a)(4), 47 C.F.R. 54.202(a)(4), requires carriers petitioning for ETC designation to demonstrate financial and technical capability to comply with

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<sup>33</sup> See 47 C.F.R. § 54.202(a)(2).

<sup>34</sup> See 47 C.F.R. § 54.202(a)(3).

<sup>35</sup> See 47 C.F.R. § 54.202(a)(3).



the Commission's Lifeline service requirements.<sup>36</sup> The *Compliance Plan Public Notice* requires that a carrier's compliance plan include this demonstration. Among the factors the Commission will consider are: a carrier's prior offering of service to non-Lifeline subscribers, the length of time the carrier has been in business, whether the carrier relies exclusively on Lifeline reimbursement to operate, whether the carrier receives revenues from other sources and whether the carrier has been the subject of an enforcement action or ETC revocation proceeding in any state.

LTS is an experienced provider of telecommunications service and has the financial and technical capability to provide the services for which the Company requests ETC designation. The Company is owned and managed by individuals with significant experience in the telecommunications industry.<sup>37</sup> In addition to successfully managing LTS, the current President of the Company, Thomas Armstrong, is the immediate past chairman of the National ALEC Association/Prepaid Communications Association ("NALA/PCA") and still serves as a board member. The Association has represented the prepaid wireline and wireless communications industry for over 20 years and Mr. Armstrong's experience and familiarity with the prepaid wireless industry will enable LTS to successfully provide wireless services to consumers in the Federal Jurisdiction States. LTS has been providing telecommunications service to non-Lifeline subscribers for over ten years. The Company also has been providing Lifeline services to North Carolina consumers through the resale of ILEC-provided Lifeline services. This experience provides the Company with unique expertise in the provision of Lifeline service to low-income

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<sup>36</sup> See *Lifeline Reform Order*, ¶¶ 387-388 (revising Commission rule 54.202(a)(4)).

<sup>37</sup> Thomas Armstrong, along with William Kloss, also jointly own Express Phone Service, Inc., a CLEC certificated in Alabama, Florida and Mississippi, and Digital Express, a CLEC certificated in Florida.

consumers. This experience will be invaluable in the Company's provision of wireless Lifeline service in accordance with the FCC's rules.

LTS is financially stable and fully capable of honoring its service obligations to customers, as well as federal and state regulatory obligations. Although LTS expects to derive the majority of its revenue from the sale of prepaid wireless and wireline services, the Company will not rely exclusively on USF disbursements to operate. For example, the Company will derive additional revenue from the sale of wireless and wireline services under plans that are not fully covered by the Lifeline subsidy, the sale of replenishment airtime minutes, and the sale of optional service packages (*e.g.*, Internet and SMS/text services).

In sum, as a licensed carrier with a well-established track-record of providing quality services to its customers, LTS has made the requisite showing of financial and technical capability.

**K. Terms and Conditions of LTS' Voice Telephony Service Plans Offered to Lifeline Subscribers**

As discussed in Section III.B., *supra*, LTS will offer Lifeline subscribers several service offerings with attractive terms. Consumers can select from four service offerings that include a generous number of included free minutes that can be used for both local and domestic long distance service as well as for text message service. Subscribers also can purchase additional bundles of minutes of service at low rates ranging from \$0.10 to \$.042 per minute. Additional information about the Company's Lifeline service offerings can be found in LTS' Compliance Plan attached hereto as Exhibit B and incorporated herein by reference.

**L. LTS Will Comply with the Additional Lifeline ETC Obligations**

As discussed in greater detail in the Company's Compliance Plan, LTS has implemented processes to meet the Commission's current requirements for applicants seeking ETC

designation by the Commission. The Company commits to: comply with all of the Commission's rules regarding carrier obligations to offer Lifeline, including, but not limited to, de-enrollment and requirements related to publicizing Lifeline-services;<sup>38</sup> certify, as part of each request for reimbursement, that it is in compliance with all of the rules in Subpart E;<sup>39</sup> implement policies and procedures for ensuring its Lifeline subscribers are eligible to receive Lifeline services;<sup>40</sup> make and submit required annual certifications;<sup>41</sup> comply with all applicable recordkeeping requirements;<sup>42</sup> and comply with all annual reporting requirements.<sup>43</sup> LTS will not collect service deposits for its Lifeline offerings and will not charge number portability fees to Lifeline subscribers.

Company personnel will inform each Lifeline applicant that he or she may be receiving Lifeline support under another name, and facilitate the applicant's understanding of what constitutes "Lifeline-supported services," and ability to determine whether he or she is already benefiting from Lifeline support, by informing the consumer that all Lifeline services may not be currently marketed under the name Lifeline. LTS will also ask each customer whether they are receiving Lifeline service from one of the other major Lifeline providers in the state (e.g., SafeLink, Assurance).

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<sup>38</sup> See 47 C.F.R. § 54.405.

<sup>39</sup> See 47 C.F.R. § 54.407.

<sup>40</sup> See 47 C.F.R. § 54.410.

<sup>41</sup> See 47 C.F.R. § 54.416.

<sup>42</sup> See 47 C.F.R. § 54.417.

<sup>43</sup> See 47 C.F.R. § 54.422.

Further, in the Federal Jurisdiction States, LTS will not enroll customers at retail locations where LTS does not have an agency agreement with the retailer. Further, LTS will require an agent retailer to have any employees involved in the enrollment process go through the standard LTS field representative training, same as it would for any other agent. By establishing agency relationships with all of its field representatives, including future retail outlets, LTS meets the “deal directly” requirement adopted in the *TracFone Forbearance Order*.<sup>44</sup>

The Commission determined in the *Lifeline Reform Order* that ETCs may permit agents or representatives to review documentation of consumer program eligibility for Lifeline because “the Commission has consistently found that ‘[l]icensees and other Commission regulatees are responsible for the acts and omissions of their employees and independent contractors.’”<sup>45</sup> Because LTS is responsible for the actions of all of its employees and agents, including those enrolling customers in any LTS owned or affiliated retail locations, and a LTS employee will be responsible for overseeing and finalizing every Lifeline enrollment prior to including that customer on an FCC Form 497 for reimbursement, the Company always “deals directly” with its customers to certify and verify the customer’s Lifeline eligibility.

Details of how the Company plans to comply with these requirements are contained in the Company’s Compliance Plan which is attached hereto as Exhibit B .

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<sup>44</sup> See Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i), 20 FCC Rcd 15095, ¶19 (2005).

<sup>45</sup> *Lifeline Reform Order*, ¶ 110.

**M. The Public Interest Will Benefit from Designation of LTS as an ETC**

Designation of LTS as an ETC is in the public interest.<sup>46</sup> Designation of the Company as an ETC in the Federal Jurisdiction States will allow LTS to offer low-income customers attractive and affordable service offerings that meet consumers' basic and advanced communications needs. Designating LTS as an ETC will mean increased consumer choice of telecommunications services and products. In addition, LTS has a unique way of doing business that provides diversity in the marketplace from which consumers can choose a carrier that satisfies their needs and desires. As a Lifeline services provider, the Company is determined to serve a traditionally underserved market that our Nation and this Commission recognize needs affordable, reliable telecommunications services and products.

LTS' wireless Lifeline-services provide value to the Company's customers because of the mobility afforded to the subscribers. In addition, the increased competition in the market that will result from LTS' designation as an ETC will encourage service and product quality improvements among competitors vying for subscribers in both wireline and wireless markets.

LTS' request for ETC designation must be examined in light of the Act's goal of providing low-income consumers with access to telecommunications services. The primary purpose of universal service is to ensure that consumers - particularly low-income consumers - receive affordable and comparable telecommunications services. Given this context, designating LTS as an ETC would significantly benefit low-income consumers eligible for Lifeline services - the intended beneficiaries of universal service.

**Advantages of LTS' Service Offering.** The public interest benefits of the Company's wireless service include larger local calling areas (as compared to traditional wireline carriers),

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<sup>46</sup> See 47 C.F.R. § 54.202(b).

the convenience and security afforded by mobile telephone service, the opportunity for customers to control cost by receiving a preset amount of monthly airtime at no charge, the ability to purchase additional usage at flexible and affordable amounts in the event that included usage has been exhausted, 911 service and, where available, E911 service in accordance with current FCC requirements.

LTS' Lifeline customers will receive the same high-quality wireless services and exceptional customer service provided to all Company customers. LTS' Lifeline rate plans will not only allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, but also will bring rate plans into the reach of Lifeline customers that are comparable in minutes and features to those available to post-paid wireless subscribers. Lifeline customers will have access to premium services at low Lifeline rates and without the burden of credit checks, contracts, or activation fees.

Most importantly, LTS' Lifeline service will provide low-income residents of the Federal Jurisdiction States with the convenience and security offered by wireless services - even if their financial position deteriorates. LTS' prepaid wireless plans enable consumers to enjoy the benefits of wireless telecommunication without being subject to extensive credit reviews and long-term service commitments, which historically have limited the availability of wireless service to many Americans. The prepaid nature of the service permits consumers to anticipate and control their communication costs and provides an alternative for "unbanked" consumers.

LTS' services permit consumers to tailor their communications services to meet the consumer's needs and budgets. The service offerings include generous numbers of free minutes and value-added features and, when necessary, consumers are able to purchase additional bundles of minutes at attractive prices. The prepaid nature of LTS' service offerings alleviates

any customer concerns regarding hidden costs, varying monthly charges and long-term contracts. ETC designation in the Federal Jurisdiction States would enable LTS to offer appealing and affordable service offerings to low-income customers to ensure that they are able to afford wireless services on a consistent and uninterrupted basis. Without question, prepaid wireless services have become essential for all customers, providing them with access to emergency services on wireless devices and a reliable means of contact for prospective employers, social service agencies, or dependents. This mobility is particularly attractive to low income consumers who may frequently change residences or work in migratory jobs.

Providing LTS with the authority necessary to offer discounted Lifeline services to those most in danger of losing wireless service altogether undoubtedly promotes the public interest. Moreover, grant of LTS' Application will serve the public interest by increasing the number of ETCs. By granting ETC designation to LTS, the Commission will enable LTS to increase the number of residents receiving Lifeline support, thereby increasing the amount of USF support flowing into the Federal Jurisdiction States. In sum, ETC designation would enable LTS to provide all of the public benefits cited by the FCC in its analysis in the Virgin Mobile Order.<sup>47</sup> Namely, LTS would provide "increased consumer choice, high-quality service offerings, and mobility," as well as the safety and security of effective 911 and E911 services.<sup>48</sup>

**The Benefits of Competitive Choice.** The benefits to consumers of being able to choose from among a variety of telecommunications service providers have long been acknowledged by the FCC.<sup>49</sup> Designation of LTS as an ETC will promote competition and innovation. It will spur

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<sup>47</sup> See *Petition of Virgin Mobile USA, L.P. for Forbearance from 47 U.C.S. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i)*, 24 FCC Rcd 3381 (2009) at 3395 ¶ 38.

<sup>48</sup> See *Id.* at 3391 ¶ 23.

<sup>49</sup> See, e.g., *Specialized Common Carrier Services*, 29 FCC Rcd 870 (1971).

other carriers to target low-income consumers with service offerings tailored to their needs and to improve their existing networks to remain competitive, resulting in improved services to consumers. Designation of LTS as an ETC will help assure that quality services are available at “just, reasonable, and affordable rates” as envisioned in the Act.<sup>50</sup> Introducing LTS into the market as an additional wireless ETC provider will afford low-income Americans a wider choice of providers and available services while creating a competitive marketplace as ETCs compete for a finite number of Lifeline-eligible customers. Increasing the competitive marketplace of providers has the potential to effectively increase the penetration rate and reduce the number of individuals not connected to the PSTN.

**Impact on the Universal Service Fund.** LTS’ request for designation as an ETC solely for Lifeline purposes would not unduly burden the USF or otherwise reduce the amount of funding available to other ETCs. LTS will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not enrolled in another ETC’s Lifeline program. By implementing the safeguards set forth in its Compliance Plan and the *Lifeline Reform Order*, LTS will minimize the likelihood that its customers are not eligible or are receiving duplicative support either individually or within their household. Significantly, the Company’s designation as an ETC will not increase the number of persons eligible for Lifeline support. LTS’ ability to increase the Lifeline participation rate of qualified low-income individuals will further the goal of Congress to provide all individuals with affordable access to telecommunications service, and thus any incremental increases in Lifeline expenditures are far outweighed by the significant public interest benefits of expanding the availability of affordable wireless services to low-income consumers.

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<sup>50</sup> See 47 U.S.C. § 254(b)(1).



Furthermore, the FCC's Wireline Competition Bureau recently issued a report on the savings obtained through the *Lifeline Reform Order* since it became effective on April 2, 2012. The Bureau therein estimates that in their first four months, the reforms have already generated \$42.75 million in savings to the Universal Service Fund. The Bureau expects a total savings in 2012 of \$200 million, and over the next three years, the reforms are expected to save the Fund \$2 billion. Such savings serve the public interest.<sup>51</sup>

### **III. ANTI-DRUG ABUSE CERTIFICATION**

The Company certifies that neither it nor any party to the application is subject to a denial of federal benefits, including Commission benefits, pursuant to section 5301 of the Anti-Drug Abuse Act of 1988 (21 USC 862).

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<sup>51</sup> See Public Notice: Wireline Competition Bureau Issues Progress Report on the Lifeline Program Savings, WC Docket nos. 11-42, 03-109, 12-23 and CC Docket No. 96-45 (rel. July 31, 2012).

#### IV. CONCLUSION

Therefore, premises considered, LTS respectfully requests Commission approval of its petition for designation as an ETC in the Federal Jurisdiction States.

Respectfully submitted,

By: \_\_\_\_\_

John J. Heitmann  
Denise N. Smith  
Kelley Drye & Warren, LLP  
3050 K Street, NW  
Suite 400  
Washington, D.C. 20007  
(202) 342-8400

*Counsel to LTS of Rocky Mount, LLC*

March 5, 2013

# **EXHIBIT A**

## **Documentation of States Asserting Lack of Jurisdiction**

# Alabama Public Service Commission

## Orders

**PINE BELT CELLULAR, INC. and PINE  
BELT PCS, INC.,**

**Joint Petitioners**

**PETITION: For ETC status and/or  
clarification regarding the jurisdiction of  
the Commission to grant ETC status to  
wireless carriers.**

**DOCKET U-4400**

### **ORDER**

#### **BY THE COMMISSION:**

In a joint pleading submitted on September 11, 2001, Pine Belt Cellular, Inc. and Pine Belt PCS, Inc. (collectively referred to as "Pine Belt") each notified the Commission of their desire to be designated as universal service eligible telecommunications carriers ("ETCs") for purposes of providing wireless ETC service in certain of the non-rural Alabama wireline service territories of BellSouth Telecommunications, Inc. ("BellSouth") and Verizon South, Inc. ("Verizon"). The Pine Belt companies noted their affiliation with Pine Belt Telephone Company, a provider of wireline telephone service in rural Alabama, but clarified that they exclusively provide cellular telecommunications and personal communications (collectively referred to as "CMRS" or "wireless") services in their respective service areas in Alabama in accordance with licenses granted by the Federal Communications Commission ("FCC"). The pivotal issue raised in the joint pleading of Pine Belt companies is whether the Commission will assert jurisdiction in this matter given the wireless status of the Pine Belt companies.

As noted in the filing of the Pine Belt companies, state Commissions have primary responsibility for the designation of eligible telecommunications carriers in their respective jurisdictions for universal service purposes pursuant to 47 USC §214(e). The Commission indeed established guidelines and requirements for attaining ETC status in this jurisdiction pursuant to notice issued on October 31, 1997.

For carriers not subject to state jurisdiction, however, §214(e)(6) of the Telecommunications Act of 1996 provides that the FCC shall, upon request, designate such carriers as ETCs in non-rural

service territories if said carriers meet the requirements of §214(e)(1). In an FCC Public Notice released December 29, 1997 (FCC 97-419) entitled "Procedures for FCC designation of Eligible Telecommunications Carriers pursuant to §214(e)(6) of the Telecommunications Act", the FCC required each applicant seeking ETC designation from the FCC to provide, among other things, "a certification and brief statement of supporting facts demonstrating that the Petitioner is not subject to the jurisdiction of a state Commission."

The Pine Belt companies enclosed with their joint pleading completed ETC application forms as developed by the Commission. In the event the Commission determines that it does not have jurisdiction to act on the Pine Belt request for ETC status, however, the Pine Belt companies seek an affirmative written statement from the Commission indicating that the Commission lacks jurisdiction to grant them ETC status as wireless carriers.

The issue concerning the APSC's jurisdiction over providers of cellular services, broadband personal communications services, and commercial mobile radio services is one that was rather recently addressed by the Commission. The Commission indeed issued a Declaratory Ruling on March 2, 2000, in Docket 26414 which concluded that as the result of certain amendments to the Code of Alabama, 1975 §40-21-120(2) and (1)(a) effectuated in June of 1999, the APSC has no authority to regulate, *in any respect*, cellular services, broadband personal communications services and commercial mobile radio services in Alabama. Given the aforementioned conclusions by the Commission, it seems rather clear that the Commission has no jurisdiction to take action on the Application of the Pine Belt companies for ETC status in this jurisdiction. The Pine Belt companies and all other wireless providers seeking ETC status should pursue their ETC designation request with the FCC as provided by 47 USC §214(e)(6).

IT IS, THEREFORE, ORDERED BY THE COMMISSION, That the Commission's jurisdiction to grant Eligible Telecommunications Carrier status for universal service purposes does not extend to providers of cellular services, broadband personal communications services, and commercial mobile radio services. Providers of such services seeking Eligible Telecommunications Carrier status should accordingly pursue their requests through the Federal Communications Commission.

IT IS FURTHER ORDERED, That this Order shall be effective as of the date hereof.

DONE at Montgomery, Alabama, this 12<sup>th</sup> day of March, 2002.

ALABAMA PUBLIC SERVICE COMMISSION

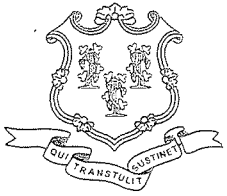
Jim Sullivan, President

Jan Cook, Commissioner

George C. Wallace, Jr., Commissioner

ATTEST: A True Copy

Walter L. Thomas, Jr., Secretary



STATE OF CONNECTICUT  
DEPARTMENT OF PUBLIC UTILITY CONTROL

May 25, 2012  
In reply please refer to:  
UR:Undocketed:PAP

John J. Heitmann  
Joshua T. Guyan  
Kelley Drye & Warren LLP  
Washington Harbour, Suite 400  
3050 K Street, NW  
Washington, D.C. 20007-5108

Re: Request for a Letter Confirming Lack of Jurisdiction Over Wireless Eligible  
Telecommunications Carrier Petitions

Dear Messrs Heitmann and Guyan:

The Public Utilities Regulatory Authority (Authority) is in receipt of your March 28, 2012 letter concerning the Authority's jurisdiction over wireless mobile carrier services' rates and charges.

The Authority does not regulate or license wireless carrier services' rates and charges per the Federal Omnibus Budget Act of 1993. Therefore, all applications for eligible telecommunications carriers' status for wireless providers should be made to the Federal Communications Commission.

Sincerely,

DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION  
PUBLIC UTILITIES REGULATORY AUTHORITY

Kimberley J. Santopietro  
Executive Secretary



STATE OF DELAWARE  
PUBLIC SERVICE COMMISSION  
361 SILVER LAKE BOULEVARD  
CANNON BUILDING, SUITE 100  
DOVER, DELAWARE 19904

TELEPHONE: (302) 739 - 4247  
FAX: (302) 739 - 4849

July 15, 2009

L. Charles Keller, Jr.  
Wilkinson Barker Knauer, LLP  
2300 N Street, NW, Ste. 700  
Washington, DC 20037

RE: *Conexions LLC*

Dear Mr. Keller:

You have requested a statement confirming that the Delaware Public Service Commission ("PSC") lacks the jurisdiction to designate your client, Conexions, LLC ("Conexions"), as an Eligible Telecommunications Carrier ("ETC") under 47 U.S.C. § 214(e). You have represented that Conexions is a new mobile virtual network operator who seeks to participate in the FCC's Lifeline support program for qualifying low-income consumers.

Under state law, the Delaware PSC does not currently exercise any form of supervisory jurisdiction over wireless commercial mobile radio service ("CMRS") providers. *See* 26 *Del. C.* § 102(2) (excluding "telephone service provided by cellular technology, or by domestic public land mobile radio service" from the definition of "public utility"); 26 *Del. C.* § 202(c) (providing that the Delaware Commission has "no jurisdiction over the operation of domestic public land mobile radio service provided by cellular technology service or over rates to be charged for such service or over property, property rights, equipment of facilities employed in such service"). In fact, in granting ETC status in Delaware for Cellco Partnership d/b/a Bell Atlantic Mobile, the FCC accepted the Delaware PSC's confirmation at that time that it did not have jurisdiction under state law to designate CMRS providers as ETCs. *See Federal-State Joint Board on Universal Service; Cellco Partnership d/b/a Bell Atlantic Mobile Petition for Designation as an Eligible Telecommunications Carrier*, Memorandum Opinion and Order, 16 FCC Rcd. 39 (2000), at ¶¶ 3-4. There have been no changes to state law regarding the PSC's authority over CMRS providers since the *Cellco* decision.



L. Charles Keller, Jr.  
July 15, 2009  
Page 2

I hope this addresses your request for confirmation that the Delaware Public Service Commission does not have jurisdiction under state law to designate CMRS providers, such as Conexions LLC, as an ETC.

Sincerely,

A handwritten signature in cursive script, reading "Bruce H. Burcat". The signature is written in dark ink and is positioned above the printed name and title.

Bruce H. Burcat  
Executive Director

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF       )  
VERIZON DELAWARE INC., TO MODIFY THE       )  
LIFELINE SERVICE BY ADDING AN INCOME       )       PSC DOCKET NO. 05-016T  
QUALIFIER TO THE ELIGIBILITY CRITERIA       )  
(FILED JUNE 17, 2005)                        )

ORDER NO. 6736

This 11<sup>th</sup> day of October, 2005, the Commission determines and Orders the following:

1. In the jargon of the federal Lifeline/Link-Up program, Delaware is a "federal default State." Delaware has never, by either state law or state regulation, ordained, nor funded, a stand-alone program to provide discounts on basic telephone services charges for low-income subscribers. Consequently, it was not until 1997, when the Federal Communications Commission ("FCC") revamped the federal Lifeline/Link-Up program, that Delaware subscribers first became eligible for participation in the federal Lifeline program.<sup>1</sup> And given that in a "federal default State" only federally-raised monies are used to reimburse eligible carriers for the Lifeline and Link-Up discounts, it is the FCC, and not the state commission, that gets to call the tune about who should be eligible to receive these federally-subsidized price reductions.

2. Since 1997, Verizon Delaware Inc. ("VZ-DE") has been designated as an "eligible telecommunications carrier" and has offered

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<sup>1</sup>See PSC Order No. 4684 (Dec. 16, 1997) (summarizing Delaware history and electing to allow "Tier 2" federal support to eligible Delaware subscribers).

federal Lifeline discounts on the federal list of supported services.<sup>2</sup> And even though in "default" States, Lifeline is almost an exclusively federal program, VZ-DE has, since 1997, filed at the State level, tariff provisions setting forth its Lifeline offerings.<sup>3</sup>

3. In 2004, the FCC changed some of the "eligibility" rules describing which subscribers may participate in the federal Lifeline/Link-Up program.<sup>4</sup> In particular, the 2004 amendments added additional programs to the list of "eligible" programs where participation confers federal default Lifeline/Link-Up eligibility.<sup>5</sup> The 2004 amendments also introduced an additional eligibility criteria premised on the subscriber's household income.<sup>6</sup> Eligible telecommunications carriers, such as VZ-DE, were given one year to implement this new, additional income-based eligibility criteria.<sup>7</sup>

4. To implement these changes prescribed by the FCC, VZ-DE initially filed revisions to the Lifeline and Link-Up portions of its

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<sup>2</sup>See PSC Order No. 4680 (Dec. 17, 1997) ("ETC" designation for VZ-DE). See also PSC Dckt. No. 97-023T (initial Lifeline tariff filing by VZ-DE).

<sup>3</sup>From December 2000 through December 2003, VZ-DE offered, under its state tariff, an "expanded" Lifeline program for Delaware. The discounts under such program exceeded the Tiers 1 & 2 levels normally available in a default State. VZ-DE offered this expanded program to fulfill a condition imposed by the FCC in approving the Bell Atlantic-GTE merger. See PSC Order No. 6317 (Dec. 9, 2003) (explaining content and cause of this expanded Lifeline offering). Whether Delaware remained a "default State" during this period when VZ-DE subsidized the deeper discounts is an issue that need now be explored or resolved. This "expanded" program ended in December 2003.

<sup>4</sup>In the Matter of Lifeline and Link-Up, Report and Order and Further NPRM, 19 FCC Rcd. 8302 (FCC 2004) ("Lifeline Order").

<sup>5</sup>47 C.F.R. §§ 54.409(b) (Lifeline eligibility criteria in "default" State); 54.415(b) (Link-Up eligibility criteria in "default" State).

<sup>6</sup>47 C.F.R. §§ 54.409(b), 54.410 (Lifeline); 54.415(b), 54.416 (Link-Up).

<sup>7</sup>47 C.F.R. §§ 54.410(a)(ii), 54.416.

State tariff. These changes incorporated into the State tariff provisions the expanded list of "eligibility-conferring" programs.<sup>8</sup> At the same time, the Commission Staff began discussions with VZ-DE to determine whether, under the applicable federal default rules, it was appropriate for VZ-DE to continue to include in its State tariff Lifeline provisions language that conditioned Lifeline eligibility on the subscriber foregoing the ability to purchase many optional or vertical services.<sup>9</sup> Eventually, VZ-DE revised its State tariff Lifeline provisions to delete the questioned restrictions.<sup>10</sup> Then in June 2005, VZ-DE filed another Tariff revision to reflect its implementation of the household-income criteria for eligibility for Lifeline and Link-Up discounts.<sup>11</sup> Finally, on September 9, 2005, VZ-DE submitted another set of revised tariff sheets reflecting further textual revisions, as originally suggested by Staff. In part, these final changes sought to make the State tariff's description of how VZ-DE would administer its Lifeline/Link-Up program to more closely parallel the governing federal default rules.<sup>12</sup>

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<sup>8</sup>See PSC Dckt. No. 04-017T (filed July 26, 2004; eff. July 27, 2004).

<sup>9</sup>That restriction - limiting Lifeline subscribers to a small group of designated vertical services - had been a continual part of VZ-DE's state-tariffed Lifeline offerings since 1997. In its Lifeline Order, the FCC expressed its belief that "any restriction on the purchase of vertical services may discourage qualified consumers from enrolling and may serve as a barrier to participation in the [Lifeline] program. Lifeline Order at ¶ 53.

<sup>10</sup>See PSC Dckt. No. 05-008T (filed April 8, 2005; eff. April 16, 2005).

<sup>11</sup>See PSC Dckt. No. 05-016T (filed June 17, 2005; eff. June 22, 2005).

<sup>12</sup>See PSC Dckt. No. 05-016T, amended tariff sheets filed on September 9, 2005 but with effective date of June 22, 2005).

5. The Commission enters this Order not so much to "approve" the various Lifeline filings made by VZ-DE but to recount the course of the filings made since the FCC changed its federal Lifeline/Link-Up program in 2004. Indeed, given that Delaware is a "default" State, VZ-DE's Lifeline/Link-Up offerings are governed more by the federal default rules than by any "approved" State tariff provision. Any State tariff provision that might conflict with a federal default rule would necessarily have to yield. However, the Commission will accept the Lifeline and Link-Up tariff filings lodged by VZ-DE. The Commission believes that VZ-DE's last submission (in September 2005) sets forth a Lifeline and Link-Up offering that is consistent with the federal default rules. However, the filing and acceptance of the State tariff provisions should not be seen as foreclosing any later challenge that VZ-DE's program falls short of the federal directives.

Now, therefore, **IT IS ORDERED:**

1. That, as explained in the body of this Order, the Commission accepts the tariff filings made by Verizon Delaware Inc., to implement its responsibilities to provide federal Lifeline and Link-Up in this "federal default" jurisdiction. In particular, the Commission now accepts the tariff revision filing made September 9, 2005 pertaining to the following leaves in P.S.C.-Del.-No. 1:

Section 20D, Fourteenth Revised Sheet 1 (Link-Up);

Section 20D, Fifth Revised Sheet 2 (Link-Up); and

Section 20E, Eighth Revised Sheet 2 (Lifeline).

2. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

/s/ Arnetta McRae  
Chair

Vice Chair

/s/ Joann T. Conaway  
Commissioner

/s/ Jaymes B. Lester  
Commissioner

/s/ Dallas Winslow  
Commissioner

ATTEST:

/s/ Norma J. Sherwood  
Acting Secretary



**Public Service Commission of the District of Columbia**  
**1333 H Street, N.W., 2nd Floor, West Tower**  
**Washington, D.C. 20005**  
**(202) 626-5100**  
**[www.dcpssc.org](http://www.dcpssc.org)**

March 27, 2012

**Via First Class Mail**

John J. Heitmann and Joshua T. Guyan  
Kelley Drye & Warren LLP  
Washington Harbour Suite 400  
3050 K Street, NW  
Washington, DC 20007-5108

Dear Mr. Heitmann and Mr. Guyan:

Thank you for your March 23, 2012 letter requesting information on whether the Public Service Commission of the District of Columbia ("Commission") designates wireless telecommunications carriers as eligible telecommunications carriers ("ETC") for the purposes of receiving federal universal service funding. Please be advised that, pursuant to section 34-2006(b) of the District of Columbia Code, the Commission does not have jurisdiction over wireless carriers. Thus, the Commission has no authority to designate wireless telecommunications carriers as ETCs.

Attached please find a copy of the relevant section of the District of Columbia Code for your information. Should you need anything further, please contact Lara Walt at 202-626-9191 or [lwalt@psc.dc.gov](mailto:lwalt@psc.dc.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Richard A. Beverly".

Richard A. Beverly  
General Counsel

Enclosure



D.C. Council Home

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## Welcome to the online source for the District of Columbia Official Code

### DC ST § 34-2006

Formerly cited as DC ST 1981 § 43-1456

DC ST § 34-2006

Formerly cited as DC ST 1981 § 43-1456

District of Columbia Official Code 2001 Edition Currentness

Division V. Local Business Affairs

Title 34. Public Utilities.

\* Subtitle V. Telecommunications.\* Chapter 20. Telecommunications Competition.➔ **§ 34-2006. Exemptions.**

(a) This chapter shall not apply to cable television services performed pursuant to an existing cable television franchise agreement with the District of Columbia which is in effect on September 9, 1996. To the extent that a cable television company seeks to provide local exchange services within the District of Columbia, such company shall be regulated under the provisions of this chapter for their local exchange services.

(b) Pursuant to the federal Telecommunications Act of 1996, this chapter shall not apply to licensed or unlicensed wireless services authorized by the Federal Communications Commission operating in the District of Columbia.

(c) This chapter shall not:

- (1) Apply to the provision, rates, charges, or terms of service of Voice Over Internet Protocol Service or Internet Protocol-enabled Service;
- (2) Alter the authority of the Commission to enforce the requirements as are otherwise provided for, or allowed by, federal law, including the collection of Telecommunications Relay Service fees and universal service fees;
- (3) Alter the authority of the Office of Cable Television and Telecommunications with respect to the provision of video services in the District of Columbia; or
- (4) Alter the Commission's existing authority over the regulation of circuit-switched local exchange services in the District of Columbia.

CREDIT(S)

(Sept. 9, 1996, D.C. Law 11-154, § 7, 43 DCR 3736; June 5, 2008, D.C. Law 17-165, § 3(c), 55 DCR 5171.)

#### HISTORICAL AND STATUTORY NOTES

##### Prior Codifications

1981 Ed., § 43-1456.



Effect of Amendments

D.C. Law 17-165 added subsec. (c).

Legislative History of Laws

For legislative history of D.C. Law 11-154, see Historical and Statutory Notes following § 34-2001.

For Law 17-165, see notes following § 34-403.

References in Text

The federal Telecommunications Act of 1996, referred to in (b), is Pub. L. 104-104, which is codified throughout Title 47 of the United States Code.

DC CODE § 34-2006

Current through January 11, 2012

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STATE OF FLORIDA



GENERAL COUNSEL  
S. CURTIS KISER  
(850) 413-6199

## Public Service Commission

October 24, 2011

Ms. Kasey C. Chow  
Lance J.M. Steinhart, P.C.  
Attorney At Law  
1725 Windward Concourse  
Suite 150  
Alpharetta, GA 30005

**Re: Undocketed – Q Link Wireless LLC's ETC Designation**

Dear Ms. Chow:

We received your October 18, 2011 letter advising that Q Link Wireless LLC, a commercial mobile radio service provider, wish to seek designation as an ETC in Florida. You also requested an affirmative statement that the Florida Public Service Commission no longer assert jurisdiction to designate commercial mobile radio service providers as eligible telecommunication carriers in Florida.

This letter acknowledges that the revisions to Chapter 364, Florida Statutes, changed the Commission's jurisdiction regarding telecommunications companies. I direct your attention to Chapter 364, Florida Statutes, for the proposition that the Federal Communications Commission, rather than this Commission is the appropriate agency to consider Q Link Wireless LLC's bid for ETC status.

Sincerely,

A handwritten signature in cursive script that reads "S. Curtis Kiser".

S. Curtis Kiser  
General Counsel

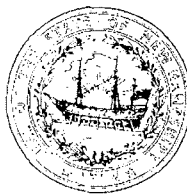
cc: Beth W. Salak, Director, Division of Regulatory Analysis  
Robert J. Casey, Public Utilities Supervisor, Division of Regulatory Analysis  
Adam J. Teitzman, Attorney Supervisor, Office of the General Counsel  
Ann Cole, Commission Clerk, Office of Commission Clerk

THE STATE OF NEW HAMPSHIRE

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Thomas B. Getz

COMMISSIONERS  
Clifton C. Below  
Amy L. Ignatius

EXECUTIVE DIRECTOR  
AND SECRETARY  
Debra A. Howland



**PUBLIC UTILITIES COMMISSION**  
21 S. Fruit Street, Suite 10  
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TDD Access: Relay NH  
1-800-735-2964

Website:  
[www.puc.nh.gov](http://www.puc.nh.gov)

March 28, 2011

**RE: ETC Certification in New Hampshire**

The federal Universal Service Fund (USF) was created by the Federal Communications Commission (FCC) to promote the availability of quality services at just and reasonable rates to all consumers including low-income customers and those in high cost areas and to increase nationwide access to advanced services in schools, libraries and rural health care facilities. To qualify for universal service funding a carrier must first be certified as an Eligible Telecommunications Carrier (ETC) by the state public utilities commission or, if the state does not assert this authority, by the FCC. *See* 47 U.S.C. §214 (e).

The New Hampshire Public Utilities Commission maintains authority to determine whether landline telecommunications carriers qualify as ETCs. Pursuant to New Hampshire RSA 362:6, the Commission has no jurisdiction over mobile radio communications services. Consequently, the state declines jurisdiction over the certification of wireless carriers as ETCs, leaving that responsibility to the FCC.

Sincerely,

A handwritten signature in black ink, appearing to read "F. Anne Ross".

F. Anne Ross  
General Counsel  
New Hampshire Public Utilities Commission

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE  
THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350  
[www.dps.state.ny.us](http://www.dps.state.ny.us)

PUBLIC SERVICE COMMISSION

GARRY A. BROWN  
*Chairman*  
PATRICIA L. ACAMPORA  
MAUREEN F. HARRIS  
ROBERT E. CURRY JR.  
JAMES L. LAROCCA  
*Commissioners*



PETER McGOWAN  
*General Counsel*  
JACLYN A. BRILLING  
*Secretary*

July 28, 2010

TO WHOM IT MAY CONCERN:

Re: i-wireless CMRS Jurisdiction

We have received a letter from i-wireless, LLC (i-wireless), requesting a statement that the New York State Public Service Commission does not exercise jurisdiction over CMRS providers for the purpose of making determinations regarding Eligible Telecommunications Carrier designations under section 214 (e)(6) of 47 U.S.C. In response to this request, please be advised that section 5 (6)(a) of the New York State Public Service Law provides that:

Application of the provisions of this chapter to cellular telephone services is suspended unless the commission, no sooner than one year after the effective date of this subdivision, makes a determination, after notice and hearing, that suspension of the application of provisions of this chapter shall cease to the extent found necessary to protect the public interest.

The New York State Public Service Commission has not made a determination as of this date that regulation should be reinstituted under section 5 (6)(a) of the Public Service Law. Consequently, based on the representation by i-wireless that it is a mobile virtual network operator reselling wireless services, i-wireless would not be subject to New York State Public Service Commission jurisdiction for the purpose of making an Eligible Telecommunications Carrier designation.

Very truly yours,

*Maureen J. McCauley*  
Maureen J. McCauley  
Assistant Counsel

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. P-100, SUB 133c

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Designation of Carriers Eligible for Universal )  
Carrier Support ) ORDER GRANTING PETITION

BY THE COMMISSION: On August 22, 2003, North Carolina RSA3 Cellular Telephone Company, d/b/a Carolina West (Carolina West), a commercial mobile radio service (CMRS) provider, filed a Petition seeking an affirmative declaratory ruling that the Commission lacks jurisdiction to designate CMRS carrier eligible telecommunications carrier (ETC) status for the purposes of receiving federal universal service support.

In support of its Petition, Carolina West stated that it was a CMRS provider authorized by the Federal Communications Commission (FCC) to provide cellular mobile radio telephone service in North Carolina, and that the FCC had clearly recognized that CMRS carriers such as Carolina West may be designated as ETCs. ETC status is necessary for a provider to be eligible to receive universal service support. Section 214(e)(6) of the Telecommunications Act provides that if a state commission determines that it lacks jurisdiction over a class of carriers, the FCC is charged with making the ETC determination. The FCC has stated that, in order for the FCC to consider requests pursuant to this provision, a carrier must provide an "affirmative statement" from the state commission or court of competent jurisdiction that the state lacks jurisdiction to perform the designation. To date, several state commissions have declined to exercise such jurisdiction.

North Carolina has excluded CMRS from the definition of "public utility." *See*, G.S. 62-3(29). Pursuant to this, the Commission issued its Order Concerning Deregulation of Wireless Providers in Docket Nos. P-100, Sub 114 and Sub 124 on August 28, 1995, concluding that the Commission no longer has jurisdiction over cellular services. Accordingly, Carolina West has now requested the Commission to issue an Order stating that it does not have jurisdiction to designate CMRS carriers ETC status for the purposes of receiving federal universal service support.

WHEREUPON, the Commission reaches the following

CONCLUSIONS

After careful consideration, the Commission concludes that it should grant Carolina West's Petition and issue an Order stating that it lacks jurisdiction to designate ETC status

for CMRS carriers. As noted above, in its August 28, 1995, Order in Docket Nos. P-100, Sub 114 and Sub 124, the Commission observed that G.S. 62-3(23), enacted on July 29, 1995, has removed cellular services, radio common carriers, personal communications services, and other services then or in the future constituting a mobile radio communications service from the Commission's jurisdiction. 47 USC 3(41) defines a "state commission" as a body which "has regulatory jurisdiction with respect to the intrastate operation of carriers." Pursuant to 47 USC 214(e)(6), if a state commission determines that it lacks jurisdiction over a class of carriers, the FCC must determine which carriers in that class may be designated as ETCs. Given these circumstances, it follows that the Commission lacks jurisdiction over CMRS services and the appropriate venue for the designation of ETC status for such services is with the FCC. Accord., Order Granting Petition, ALLTEL Communications, Inc., June 24, 2003.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 28th day of August, 2003.

NORTH CAROLINA UTILITIES COMMISSION

*Patricia Swenson*

Patricia Swenson, Deputy Clerk

W0000001

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

April 11, 2003

IN RE:

APPLICATION OF ADVANTAGE CELLULAR  
SYSTEMS, INC. TO BE DESIGNATED AS AN  
ELIGIBLE TELECOMMUNICATIONS CARRIER

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)

)

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DOCKET NO.  
02-01245

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ORDER

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This matter came before Chairman Sara Kyle, Director Deborah Taylor Tate and Director Pat Miller of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned in this docket, at the regularly scheduled Authority Conference held on January 27, 2003, for consideration of the *Application of Advantage Cellular Systems, Inc. To Be Designated As An Eligible Telecommunications Carrier ("Application")* filed on November 21, 2002.

Background

Advantage Cellular Systems, Inc. ("Advantage") is a commercial mobile radio service provider ("CMRS") seeking designation as an Eligible Telecommunications Carrier ("ETC") by the Authority pursuant to 47 U.S.C. §§ 214 and 254. In its *Application*, Advantage asserts that it seeks ETC status for the entire study area of Dekalb Telephone Cooperative, Inc., a rural cooperative telephone company. Advantage maintains that it meets all the necessary requirements for ETC status and therefore is eligible to receive universal service support throughout its service area.

The January 27, 2003 Authority Conference

During the regularly scheduled Authority Conference on January 27, 2003, the panel of Directors assigned to this docket deliberated Advantage's *Application*. Of foremost consideration was the issue of the Authority's jurisdiction. The panel unanimously found that the Authority lacked

jurisdiction over Advantage for ETC designation purposes.<sup>1</sup>

This conclusion was implicitly premised on Tenn. Code Ann. § 65-4-104, which provides that:

The Authority has general supervisory and regulatory power, jurisdiction and control over all public utilities and also over their property, property rights, facilities, and franchises, so far as may be necessary for the purpose of carrying out the provisions of this chapter.

For purposes of Tenn. Code Ann. § 65-4-104, the definition of public utilities specifically excludes, with certain exceptions not relevant to this case, "[a]ny individual, partnership, copartnership, association, corporation or joint stock company offering domestic public cellular radio telephone service authorized by the federal communications commission."

The Authority's lack of jurisdiction over CMRS providers implicates 47 U.S.C. § 214(e), which addresses the provision of universal service. Where common carriers seeking universal service support are not subject to a state regulatory commission's jurisdiction, 47 U.S.C. § 214(e)(6) authorizes the Federal Communications Commission ("FCC") to perform the ETC designation.<sup>2</sup>

<sup>1</sup> This finding is not inconsistent with the Authority's decision in *In re Universal Service Generic Contested Case*, Docket 97-00838, *Interim Order on Phase I of Universal Service*, pp. 53-57 (May 20, 1998), in which the Authority required interstate telecommunications carriers to contribute to the Interstate Universal Service Fund including telecommunications carriers not subject to authority of the TRA. The decision in Docket No. 97-00838 was based primarily on 47 U.S.C. § 254(f) which authorizes states to adopt regulations not inconsistent with the Federal Communications Commission's rules on Universal Service and specifically requires every telecommunications carrier that provides interstate telecommunications services to contribute to the preservation and advancement of universal service in that state. The *Interim Order* was issued prior to the effective date of 47 U.S.C. § 214(e)(6).

<sup>2</sup> 47 U.S.C. § 214(e)(6) states:

(6) Common carriers not subject to state commission jurisdiction

In the case of a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission, the Commission shall upon request designate such a common carrier that meets the requirements of paragraph (1) as an eligible telecommunications carrier for a service area designated by the Commission consistent with applicable Federal and State law. Upon request and consistent with the public interest, convenience and necessity, the Commission may, with respect to an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated under this paragraph, so long as each additional requesting carrier meets the requirements of paragraph (1). Before designating an additional eligible telecommunications carrier for an area served by a rural telephone company, the Commission shall find that the designation is in the public interest.



As a matter of "state-federal comity," the FCC requires that carriers seeking ETC designation "first consult with the state commission to give the state commission an opportunity to interpret state law."<sup>3</sup> Most carriers that are not subject to a state regulatory commission's jurisdiction seeking ETC designation must provide the FCC "with an affirmative statement from a court of competent jurisdiction or the state commission that it lacks jurisdiction to perform the designation."<sup>4</sup>

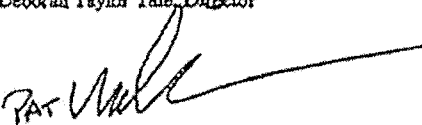
The panel noted that the FCC is the appropriate forum for Advantage to pursue ETC status pursuant to 47 U.S.C. § 214(e)(6). This Order shall serve as the above mentioned affirmative statement required by the FCC.

**IT IS THEREFORE ORDERED THAT:**

*The Application of Advantage Cellular Systems, Inc. To Be Designated As An Eligible Telecommunications Carrier is dismissed for lack of subject matter jurisdiction.*

  
Sara Kyle, Chairman

  
Deborah Taylor Tate, Director

  
Pat Miller, Director

<sup>3</sup> *In the Matter of Federal-State Joint Bd. on Universal Service*, CC Docket No. 96-45, *Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking*, 15 F.C.C.R. 12208, 12264, § 113 (June 30, 2000).

<sup>4</sup> *See id.* (The "affirmative statement of the state commission may consist of any duly authorized letter, comment, or state commission order indicating that it lacks jurisdiction to perform designations over a particular carrier.")

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION DOCUMENT CONTROL  
AT RICHMOND, APRIL 9, 2004

IN RE:

2004 APR -9 A 11:46

APPLICATION OF VIRGINIA CELLULAR LLC

CASE NO. PUC-2001-00263

For designation as an eligible  
telecommunications provider under  
47 U.S.C. § 214(e) (2)

ORDER INVITING COMMENTS AND/OR REQUESTS FOR HEARING

On December 21, 2001, Virginia Cellular LLC ("Virginia Cellular") filed an application with the State Corporation Commission ("Commission") for designation as an eligible telecommunications carrier ("ETC"). This was the first application by a Commercial Mobile Radio Service ("CMRS") carrier for ETC designation.<sup>1</sup> Pursuant to the Order Requesting Comments, Objections, or Requests for Hearing, issued by the Commission on January 24, 2002, the Virginia Telecommunications Industry Association and NTELOS Telephone Inc. ("NTELOS") filed their respective comments and requests for hearing on February 20, 2002. Virginia Cellular filed Reply Comments on March 6, 2002. Our Order of April 9, 2002, found that § 214(e)(6) of the Act is applicable to Virginia Cellular's application because this Commission has not asserted jurisdiction over CMRS carriers and that Virginia Cellular should apply to the Federal Communications Commission ("FCC") for ETC designation.

Virginia Cellular filed its Petition for Designation as an Eligible Telecommunications Carrier in the State of Virginia with the FCC on April 26, 2002. On January 22, 2004, the FCC released its order designating Virginia Cellular as an ETC in specific portions of its licensed

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<sup>1</sup> Virginia Cellular is a CMRS carrier as defined in 47 U.S.C. § 153(27) and is authorized as the "A-band" cellular carrier for the Virginia 6 Rural Service Area, serving the counties of Rockingham, Augusta, Nelson, and Highland and the cities of Harrisonburg, Staunton, and Waynesboro.

service area in the Commonwealth of Virginia subject to certain conditions ("FCC's January 22, 2004, Order").<sup>2</sup>

The FCC's January 22, 2004, Order further stated that Virginia Cellular's request to redefine the service areas of Shenandoah Telephone Company ("Shentel") and MGW Telephone Company ("MGW") in Virginia pursuant to § 214(3)(5) of the Telecommunications Act of 1996 ("Act") was granted subject to the agreement of this Commission. On March 2, 2004, the FCC filed its January 22, 2004, Order as a petition in this case.<sup>3</sup>

Section 214(e)(5) of the Act states:

**SERVICE AREA DEFINED.** - The term "service area" means a geographic area established by a State commission (or the Commission under paragraph (6)) for the purpose of determining universal service obligations and support mechanisms. In the case of an area served by a rural telephone company, "service area" means such company's "study area" unless and until the Commission and the States, after taking into account recommendations of a Federal-State Joint Board instituted under section 410(c), establish a different definition of service area for such company.

In this instance, the FCC has determined that the service areas of Shentel and MGW, which are both rural telephone companies under the Act, should be redefined as requested by Virginia Cellular.<sup>4</sup> The FCC further recognizes that the "Virginia Commission's first-hand knowledge of the rural areas in question uniquely qualifies it to determine the redefinition proposal and examine whether it should be approved."<sup>5</sup>

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<sup>2</sup> CC Docket No. 96-45, *In the Matter of Federal-State Joint Board on Universal Service, Virginia Cellular LLC Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia*.

<sup>3</sup> See paragraph 45 of the FCC's January 22, 2004, Order. The FCC, in accordance with § 54.207(d) of its rules, requests that the Virginia Commission treat this Order as a petition to redefine a service area under § 54.207(d)(1) of the FCC's rules. A copy of the petition can be obtained from the Commission's website at: <http://www.state.va.us/scc/caseinfo.htm>.

<sup>4</sup> The FCC denied Virginia Cellular's request to redefine the study area of NTELOS. See paragraph 50 of the FCC's January 22, 2004, Order.

<sup>5</sup> The FCC's January 24, 2004, Order at paragraph 2. (citations omitted)

The Commission finds that interested parties should be afforded the opportunity to comment and/or request a hearing regarding the FCC's petition to redefine the service areas of Shentel and MGW. We note that the FCC believes that its proposed redefinition of these service areas should not harm either Shentel or MGW.<sup>6</sup> However, we request any interested party to specifically address in its comments whether our agreeing to the FCC's proposal to redefine the service areas of Shentel and MGW would harm these companies.

NOW UPON CONSIDERATION of all the pleadings of record and the applicable law, the Commission is of the opinion that interested parties should be allowed to comment or request a hearing regarding the FCC's proposed redefinition of Shentel's and MGW's service areas.

Accordingly, IT IS ORDERED THAT:

(1) Any interested party desiring to comment regarding the redefinition of Shentel's and MGW's service areas may do so by directing such comments in writing on or before May 7, 2004, to Joel H. Peck, Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218. Interested parties desiring to submit comments electronically may do so by following the instructions found on the Commission's website: <http://www.state.va.us/scc/caseinfo.htm>.

(2) On or before May 7, 2004, any interested party wishing to request a hearing regarding the redefinition of Shentel's and MGW's service areas shall file an original and fifteen (15) copies of its request for hearing in writing with the Clerk of the Commission at the address set forth above. Written requests for hearing shall refer to Case No. PUC-2001-00263 and shall include: (i) a precise statement of the interest of the filing party; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the legal basis for such action; and (iv) a precise statement why a hearing should be conducted in the matter.

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<sup>6</sup> See paragraphs 43 and 44 of the FCC's January 22, 2004, Order.

(3) On or before June 1, 2004, interested parties may file with the Clerk of the Commission an original and fifteen (15) copies of any responses to the comments and requests for hearing filed with the Commission. A copy of the response shall be delivered to any person who filed comments or requests for hearing.

(4) This matter is continued generally.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: each local exchange telephone company licensed to do business in Virginia, as shown on Attachment A hereto; David A. LaFuria, Esquire, Lukas, Nace, Gutierrez & Sachs, Chartered, 1111 19th Street, N.W., Suite 1200, Washington, D.C. 20036; Thomas Buckley, Attorney-Advisor, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 12th Street, S.W., Washington, D.C. 20554; Virginia Telecommunications Industry Association, c/o Richard D. Gary, Esquire, Hunton & Williams LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074; L. Ronald Smith, President and General Manager, Shenandoah Telephone Company, P.O. Box 105, Williamsville, Virginia 24487; Lori Warren, Director of Regulatory Affairs, MGW Telephone Company, P.O. Box 459, Edinburg, Virginia 22824-0459; C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of Attorney General, 900 East Main Street, 2nd Floor, Richmond, Virginia 23219; and the Commission's Office of General Counsel and Divisions of Communications, Public Utility Accounting, and Economics and Finance.

# **EXHIBIT B**

## **LTS Compliance Plan**

**KELLEY DRYE & WARREN LLP**

A LIMITED LIABILITY PARTNERSHIP

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MUMBAI, INDIA

February 5, 2013

**By ECFS**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

Re: LTS of Rocky Mount, LLC Revised Compliance Plan;  
WC Docket Nos. 09-197, 11-42

Dear Secretary Dortch:

On October 31, 2012, LTS of Rocky Mount, LLC (“LTS” or the “Company”) submitted its Compliance Plan outlining the measures it will take to implement the conditions imposed by the Commission in its Lifeline Reform Order.<sup>1</sup>

After a meeting with Commission staff on December 6, 2012, LTS has further revised its Compliance Plan to: (1) provide information regarding LTS’ affiliates and corporate name (p. 1); (2) clarify the number of LTS wireline service subscribers (p. 3); (3) confirm that LTS will comply with the Cellular Telecommunications and Internet Association’s Consumer Code for Wireless Service (pp. 4-5); (4) provide additional detail regarding the Company’s intended consumer enrollment procedures and outreach activities (pp. 8-9); (5) confirm that an LTS employee will be responsible for overseeing and finalizing Lifeline enrollments by agents (pp. 9-10); (6) confirm that LTS will review applicants’ government-issued photo identification during the enrollment process (pp. 9, 13, 20); (7) clarify LTS’ process for de-enrollment of customers that fail to respond to the annual eligibility verification request (p. 17), (8) confirm that LTS will check its own and other external databases to prevent duplicate enrollments (pp. 20, 25); (9) explain the handset activation process (p. 21) and (10) provide more detail regarding

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<sup>1</sup> See *Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, 27 FCC Rcd 6656 (2012).

KELLEY DRYE & WARREN LLP

Marlene H. Dortch  
February 5, 2013  
Page Two

the Company's outreach efforts to prevent subscriber de-enrollment for non-usage (pp. 21-22). In addition, the Company has revised its Lifeline application forms to clarify the required timeframe for an applicant's proof of income. Finally, LTS also takes this opportunity to notify the Commission that the Company's website is still under construction and is expected to be completed shortly. LTS will notify the Commission when the website is completed.

This letter and presentation are being filed electronically for inclusion in the public record of the above-referenced proceedings. Please feel free to contact the undersigned with any questions.

Respectfully submitted,



John J. Heitmann  
Denise N. Smith

*Counsel to LTS of Rocky Mount, LLC*

Enclosures

cc: Kimberly Scardino (via e-mail)  
Divya Shenoy (via e-mail)  
Michelle Schaefer (via e-mail)  
David Bradford (via e-mail)



**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of

Lifeline and Link Up Reform and  
Modernization

Telecommunications Carriers Eligible to  
Receive Universal Service Support

LTS of Rocky Mount, LLC

WC Docket No. 11-42

WC Docket No. 09-197

**REVISED COMPLIANCE PLAN OF LTS OF ROCKY MOUNT, LLC**

LTS of Rocky Mount, LLC (“LTS” or the “Company”)<sup>1</sup> through its undersigned counsel, and by submission of this Compliance Plan, hereby seeks to avail itself of the Federal Communications Commission’s (“Commission”) grant of forbearance from the “own facilities” requirement set forth in 47 U.S.C. § 214(e)(1)(A).<sup>2</sup> LTS’ Compliance Plan is filed in accordance

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<sup>1</sup> The Company hereby also reports its corporate and trade names, identifiers, and its holding company, operating companies and affiliates as: Digital Express, Inc., Express Phone Service, Inc., Title Pawn Express, Inc., Monroe Trading, Inc., Delta Trading, Inc., More Ink for Less, LLC, Discount Cigarettes, Inc., Lantana One, Ltd., Gandalf Corp, TMA Properties and Simply Cupcakes of Pensacola (affiliates). LTS’ corporate name is LTS of Rocky Mount, LLC. The Company does not have any trade names or holding companies.

<sup>2</sup> Although the Company qualifies for and seeks to avail itself of the Commission’s grant of forbearance from the facilities requirements of section 214(e)(1)(A) for purposes of the federal Lifeline program, the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state for purposes of state universal service funding under state program rules and requirements. The Company will follow the requirements of the Commission’s Lifeline rules and the Compliance Plan in all states in which it provides Lifeline service and receives reimbursements from the federal Low-Income Fund, including any state where the public utilities commission determines that LTS provides service using its own facilities for purposes of a state universal service program.

with the procedures established in the *Lifeline Reform Order*<sup>3</sup> and clarified in the *Compliance Plan Public Notice* issued by the Wireline Competition Bureau on February 29, 2012.<sup>4</sup>

LTS respectfully requests expeditious approval of its Compliance Plan so that the Company may provide service to eligible wireline and wireless low income consumers in the various states for which it has pending eligible telecommunications carrier (“ETC”) petitions or in states for which it may file ETC petitions, including states for which the FCC issues ETC designations.

As set forth below, LTS will fully comply with all conditions set forth in the Commission’s recently amended Lifeline rules and with all pertinent conditions set forth in the *Lifeline Reform Order*. This Compliance Plan describes the measures LTS has already implemented or intends to implement to achieve full compliance with the Commission’s Lifeline rules and policies. For the convenience of the Commission, this Compliance Plan follows the format established by the Wireline Competition Bureau in the *Public Notice*.

## **I. INFORMATION ABOUT LTS AND THE LIFELINE PLANS IT OFFERS**

### **A. Company Information**

LTS is a North Carolina limited liability company, with headquarters in Pensacola, Florida. The Company is certificated by the North Carolina Utilities Commission to provide intrastate interexchange, local exchange and exchange access services and has been providing

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<sup>3</sup> *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (FCC rel. Feb. 6, 2012) (“*Lifeline Reform Order*”).

<sup>4</sup> *Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order*, Public Notice, DA 12-314 (WCB rel. Feb. 29, 2012) (“*Compliance Plan Public Notice*”).

telecommunications services to consumers since 2000.<sup>5</sup> The Company currently provides wireline telecommunications service to approximately 275 wireline customers through the resale of services obtained from AT&T and CenturyLink. These customers include subscribers provided with Lifeline service through the resale of CenturyLink-provided Lifeline services. LTS intends to also provide prepaid wireless services to consumers in North Carolina. LTS will obtain from major wireless carriers, on a wholesale basis, the network infrastructure, including the wireless transmission facilities, necessary to permit LTS to operate as a wireless telecommunications company.<sup>6</sup>

The Company is owned and managed by individuals with significant experience in the telecommunications industry.<sup>7</sup> In addition to successfully managing LTS, the current President of the Company, Thomas Armstrong, is the immediate past chairman of the National ALEC Association/Prepaid Communications Association (“NALA/PCA”) and still serves as a board member. The Association has represented the prepaid wireline and wireless communications industry for over 20 years and Mr. Armstrong’s experience and familiarity with the prepaid wireless industry will enable LTS to successfully provide wireless Lifeline services to subscribers in North Carolina and other states where the Company has or seeks ETC designation.

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<sup>5</sup> LTS was granted a certificate of public convenience and necessity to provide local exchange and exchange access telecommunications services in North Carolina effective May 31, 2000, Docket No. P-930. On October 7, 2004, in Docket No. P-930, Sub 2, the North Carolina Commission issued to LTS a Certificate of Public Convenience and Necessity authorizing the provision of intrastate interexchange telephone service in North Carolina.

<sup>6</sup> LTS purchases wireless services from Reunion Communications which in turn purchase services from Sprint and Verizon Wireless.

<sup>7</sup> Thomas Armstrong, along with William Kloss, also jointly own Express Phone Service, Inc., a CLEC certificated in Alabama, Florida and Mississippi, and Digital Express, a CLEC certificated in Florida.

## **B. LTS' Financial and Technical Capabilities to Provide Lifeline Service**

Revised Commission rule 54.202(a)(4), 47 C.F.R. 54.202(a)(4), requires carriers petitioning for ETC designation to demonstrate financial and technical capability to comply with the Commission's Lifeline service requirements.<sup>8</sup> The *Compliance Plan Public Notice* requires that a carrier's compliance plan include this demonstration. Among the factors the Commission will consider are: a carrier's prior offering of service to non-Lifeline subscribers, the length of time the carrier has been in business, whether the carrier relies exclusively on Lifeline reimbursement to operate, whether the carrier receives revenues from other sources and whether the carrier has been the subject of an enforcement action or ETC revocation proceeding in any state.

LTS is an experienced provider of telecommunications service and has the financial and technical capability to provide the services for which the Company requests ETC designation. As discussed above, LTS has been providing telecommunications service to non-Lifeline subscribers for over ten years. The Company also has been providing Lifeline services to North Carolina consumers through the resale of ILEC-provided Lifeline services. LTS has not yet been designated as an ETC in North Carolina – a petition for ETC designation is currently pending<sup>9</sup> – and thus does not receive support from any federal or state Lifeline funds. However, this experience provides the Company with unique familiarity with the provision of Lifeline service to low-income consumers. This experience will be invaluable in the Company's provision of wireline and wireless Lifeline service in accordance with the FCC's rules. LTS also commits to providing its Lifeline subscribers with quality customer service and complying with applicable

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<sup>8</sup> See *Lifeline Reform Order*, ¶¶ 387-388 (revising Commission rule 54.202(a)(4)).

<sup>9</sup> LTS filed an Application for Certification as an Eligible Telecommunications Carrier in North Carolina on December 2, 2011, which is pending approval. LTS also has a CLEC application pending in Florida. Upon approval of same, LTS expects to request ETC designation.

consumer protection and service quality standards in accordance with 47 C.F.R. § 54.202(a)(3). With respect to its wireless services, LTS agrees to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service ("CTIA Consumer Code") to ensure it offers its subscribers the highest level of protection and quality service.

LTS does not seek, and will not accept, High Cost support in any of the states for which it has or will have a pending ETC application.

LTS is financially stable and fully capable of honoring its service obligations to customers, as well as federal and state regulatory obligations. Although LTS expects to derive the majority of its revenue from the sale of prepaid wireless and wireline Lifeline services, the Company will not rely exclusively on USF disbursements to operate. For example, the Company will derive additional revenue from the sale of wireless and wireline services under plans that are not fully covered by the Lifeline subsidy, the sale of replenishment airtime minutes, and the sale of optional service packages (*e.g.*, Internet and SMS/text services).

LTS is not presently designated as an ETC in any jurisdiction and has never been denied ETC designation by any regulatory body. Finally, LTS has not been subject to any enforcement action or ETC revocation proceeding in any state.

### **C. LTS' Lifeline Service Plans**

LTS will offer its Lifeline services in the states where it is designated as an ETC and throughout the coverage areas of its underlying providers. The Company has a Lifeline-only ETC application pending in North Carolina. LTS also is seeking from the FCC designation as an ETC in the States of Alabama, Connecticut, Delaware, New Hampshire, North Carolina, New

York, Tennessee, the Commonwealth of Virginia, Florida, and the District of Columbia.<sup>10</sup> The Company is poised to rapidly expand its operations once its ETC applications are approved by the Commission and various state regulatory commissions.

The Company's prepaid wireless Lifeline offerings will include four packages of 150, 250, 360, and 660 minutes. The 360 and 660 minute plans each include at least 150 free anytime voice minutes. The 150 and 250 minute plans are offered to Lifeline subscribers at no monthly charge and the 360 and 660 minute plans are available at a prepaid charge of \$6.00 per month and \$15.00 per month, respectively. All of the plans include domestic long distance service at no additional per minute charge, and calls to 911 emergency services are always free regardless of service activation status or availability of minutes. Unused minutes for the 150 minute plan are rolled over each month and the rolled over minutes are available for 30 days. Unused minutes for the 360 and 660 minutes plans are rolled over each month and are available for 90 days. Rollover minutes are not available in the 250 minute plan.

Wireless Lifeline subscribers can purchase additional bundles of minutes in denominations of \$10.00, \$16.00, \$ 21.00 and \$27.00 with airtime prices ranging from \$0.10 to \$.042 per minute. These airtime "top up" minutes can be purchased at retail agent locations including Friendly Check locations in North Carolina, indirect agent locations in Florida, online and by telephone. Text messaging is available in the 150, 250 and 360 minute plans at a rate of one (1) text per one (1) voice minute and at a rate of two (2) texts per (1) voice minute in the 660

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<sup>10</sup> See *Petition of LTS of Rocky Mount, LLC for Limited Designation as An Eligible Telecommunications Carrier Pursuant to Section 214(e)(6) of the Communications Act in the States of Alabama, Connecticut, Delaware, Florida, New Hampshire, New York, North Carolina, Tennessee, the Commonwealth of Virginia, and the District of Columbia*, WC Docket Nos. 09-197, 11-42 (filed Oct. 31, 2012).

minute plan. In addition to the free voice services, LTS' wireless Lifeline offerings include a free handset as well as the value-added features of call waiting, voicemail and Caller ID.

LTS' wireline Lifeline service offering includes unlimited local and long distance services for a set monthly charge. The value-added features of call waiting and Caller ID are available plan options. Exhibit 1 to this Compliance Plan contains the company's Lifeline offerings.

**D. Other Certifications Required by 47 C.F.R. § 54.202**

The *Compliance Plan Public Notice* requires carriers to include certifications required under newly amended 47 C.F.R. § 54.202. LTS hereby certifies that it will comply with the service requirements applicable to the support it receives.<sup>11</sup> Specifically, LTS' Lifeline services: (i) include voice telephony services that provide voice grade access to the public switched network or its functional equivalent; (ii) provide subscribers with a defined number of minutes of usage for local service; (iii) provide subscribers with access to the emergency services provided by local government or other public safety organizations, such as 911/E911, to the extent the local government in LTS' service area has implemented 911/E911 systems (as described below in Section III) and will comply with any Commission requirements regarding E911-compatible handsets; and (iv) toll limitation for qualifying low-income consumers.<sup>12</sup> As discussed above,

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<sup>11</sup> 47 C.F.R. § 54.202(a)(1)(i).

<sup>12</sup> 47 C.F.R. § 54.101(a); Toll limitation means both toll blocking and toll control, or, if a carrier is not capable of providing both toll blocking and toll control, then toll limitation is defined as either toll blocking or toll control. LTS commits to meeting this requirement by offering service on a prepaid, or pay-as-you-go, basis. As the Commission found in its grant of ETC designation to Virgin Mobile, "the prepaid nature of [a prepaid wireless carrier's] service offering works as an effective toll control." *Virgin Mobile USA, L.P. Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A)*, Order, 24 FCC Rcd 3381, 3394 at ¶ 34 (2009). Moreover, LTS' wireless calling plans do not distinguish between local or toll services, and offer nationwide calling. LTS will provide this toll control to qualifying low income consumers at no additional charge. The Company will provide toll limitation service to its wireline customers by including in its service offering a pre-set domestic long distance limit at no additional

the Company will comply with the Commission's forbearance grant conditions regarding 911/E911 service and handsets.

## **II. LTS' PLANS FOR COMPLIANCE WITH NEW COMMISSION RULES RELATING TO DETERMINATIONS OF SUBSCRIBER ELIGIBILITY FOR LIFELINE SERVICES**

LTS will comply with the requirements pertaining to consumer qualifications for Lifeline set forth in new section 54.409 of the Commission's rules<sup>13</sup> and any state-specific requirements in the various states in which LTS will be designated an ETC. More specifically, LTS will require all subscribers to demonstrate eligibility based at least on: (1) household income at or below 135% of the Federal Poverty Guidelines for a household of that size; or (2) the household's participation in one of the federal assistance programs listed in new Commission rule 54.409(a)(2) or 54.409(a)(3). LTS also will confirm that the subscriber is not already receiving a Lifeline service and that no one else in the subscriber's household is subscribed to a Lifeline service.<sup>14</sup>

### **A. LTS' Procedures to Determine Consumer Eligibility for the Lifeline Program**

LTS enrolls subscribers at in-person events as well as by telephone, internet and facsimile. In-person enrollment is conducted at community events in locations where low income consumers may be found such as public housing facilities and localized festivals and fairs within the low income consumer geographical areas. LTS also enrolls subscribers during awareness events held in conjunction with dealer agents in retail stores in communities frequented by low income consumers. Consumers also have the option of enrolling in LTS'

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charge to the subscribers. Restrictive blocks are provided at no charge to customers for toll control/blocking of usage-based calling features such as 3-way calling, call return, 900 calls, etc.

<sup>13</sup> 47 C.F.R. § 54.409.

<sup>14</sup> 47 C.F.R. § 54.409(c).



Lifeline services via the Internet or by calling and speaking with an LTS employee who will enroll the subscriber in Lifeline service.

All LTS personnel who interact with existing Lifeline customers or Lifeline applicants will be fully trained on the Commission's revised Lifeline eligibility rules and LTS' practices and policies designed to implement these new rules. LTS personnel check applicants against income and/or program eligibility databases including CGM's enrollment database prior to activation. As described in section V below, LTS personnel also will review the applicant's government-issued photo identification and conduct a check of the applicant's service address to prevent duplication of service. If LTS cannot determine an applicant's eligibility for Lifeline by accessing income or program eligibility databases, LTS personnel (either employees or third party customer service representatives) will review documents to establish eligibility in accordance with the criteria set forth in Commission rule 54.409. Subscribers that enroll by telephone or Internet are required to mail or fax copies of government-issued photo identification, proof of identity, program eligibility and a self-certification form to be reviewed and verified before a handset is sent to the subscriber. Subscribers enrolling by Internet can submit the self-certification online or by fax or mail. LTS employees are responsible for overseeing and finalizing every Lifeline enrollment prior to including that customer on an FCC Form 497 for reimbursement.

Subscribers approved during in-person enrollment events are provided with a handset which must be activated in accordance with the procedures described in Section V. In-person enrollments conducted by agents are held in a pending status until the order can be reviewed by an LTS employee. The subscriber may be provided with a handset but the handset will not be activated unless the LTS employee is able to verify the consumer's eligibility. Agents whose

orders do not pass the verification process are provided with additional training in Lifeline eligibility requirements.

In addition, LTS will not enroll customers at retail locations where LTS does not have an agency agreement with the retailer. Further, LTS will require an agent retailer to have any employees involved in the enrollment process go through the standard LTS field representative training, same as it would for any other agent. By establishing agency relationships with all of its field representatives, including future retail outlets, LTS meets the “deal directly” requirement adopted in the TracFone Forbearance Order.<sup>15</sup>

The Commission determined in the *Lifeline Reform Order* that ETCs may permit agents or representatives to review documentation of consumer program eligibility for Lifeline because “the Commission has consistently found that ‘[l]icensees and other Commission regulatees are responsible for the acts and omissions of their employees and independent contractors.’”<sup>16</sup> Because LTS is responsible for the actions of all of its employees and agents, including those enrolling customers in any LTS owned or affiliated retail locations, and a LTS employee will be responsible for overseeing and finalizing every Lifeline enrollment prior to including that customer on an FCC Form 497 for reimbursement, the Company always “deals directly” with its customers to certify and verify the customer’s Lifeline eligibility.

Proof of Eligibility. LTS will follow the Commission’s requirements pertaining to acceptable documentation to establish eligibility based either on income level or participation in a qualified government assistance program, unless otherwise established by a state Lifeline

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<sup>15</sup> See Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i), 20 FCC Rcd 15095, ¶19 (2005).

<sup>16</sup> *Lifeline Reform Order*, ¶ 110.

administrator or other state agency.<sup>17</sup> Specifically, acceptable documentation of program eligibility will include: (1) the current or prior year's statement of benefits from a qualifying state, federal or Tribal program; (2) a notice or letter of participation in a qualifying state, federal or Tribal program; (3) program participation documents (*e.g.*, the consumer's Supplemental Nutrition Assistance Program ("SNAP") electronic benefit transfer card or Medicaid participation card (or copy thereof); or (4) another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program.<sup>18</sup> Acceptable documentation of income eligibility will include: (1) the prior year's state, federal, or Tribal tax return; (2) current income statement from an employer or paycheck stub; (3) a Social Security statement of benefits; (4) a Veterans Administration statement of benefits; (5) a retirement/pension statement of benefits; (6) an Unemployment/Workers' Compensation statement of benefit; (7) federal or Tribal notice letter of participation in General Assistance; or (8) a divorce decree, child support award, or other official document containing income information.<sup>19</sup> If the prospective subscriber presents LTS with documentation of income that does not cover a full year, the prospective subscriber must present the same type of documentation covering three consecutive months within the previous twelve months.<sup>20</sup> LTS personnel will examine and record the type of documentation presented by each prospective Lifeline subscriber. In addition, Company personnel will note, where available, the last four digits of an account or other identifying number on the proof document, the date of the proof document and the expiration of the proof

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<sup>17</sup> See USAC Guidance available at <http://www.usac.org/li/telecom-carriers/step06/default.aspx>.

<sup>18</sup> 47 C.F.R. § 54.410(c)(1)(i)(B).

<sup>19</sup> 47 C.F.R. § 54.410(b)(1)(i)(B).

<sup>20</sup> *Id.*

document. LTS personnel will not retain copies of these documents unless required by a state.<sup>21</sup> If an applicant is unable to provide documentary proof of eligibility based on either household income level or current participation in a qualified program, LTS will deny that application. The Company will comply with all applicable state and federal regulations concerning the protection of subscriber CPNI.

De-Enrollment for Ineligibility. If LTS has a reasonable basis to believe that one of its Lifeline subscribers no longer meets the eligibility criteria, the Company will notify the subscriber of impending termination in writing and in compliance with any state dispute resolution procedures applicable to Lifeline termination, and give the subscriber 30 days to demonstrate continued eligibility.<sup>22</sup> A demonstration of eligibility must comply with the annual verification procedures below and found in new rule section 54.410(f), including the submission of a certification form. If a customer contacts the Company and states that he or she is not eligible for Lifeline or wishes to de-enroll for any reason, the Company will de-enroll the customer within five business days. Customers can make this request by calling the Company's customer service number and will not be required to submit any documents.

## **B. LTS' Procedures for Subscriber Certifications**

In the *Lifeline Reform Order*, the Commission established a path for a transition to a national database that will be used to confirm the initial and continued eligibility of a Lifeline customer.<sup>23</sup> LTS will utilize that database when it becomes operational. Until that time, however, LTS will continue to use any relevant state databases where available, and will

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<sup>21</sup> 47 C.F.R. § 54.410(b)(1)(ii) - (iii); 47 C.F.R. § 54.410(c)(1)(ii)-(iii).

<sup>22</sup> See *Lifeline Reform Order*, ¶ 143; 47 C.F.R. § 54.405(e)(1).

<sup>23</sup> See *Lifeline Reform Order*, ¶ 403.

otherwise adhere to the following procedures for enrolling prospective customers into the Lifeline program.

LTS will implement certification procedures that will enable prospective customers to demonstrate their eligibility by contacting LTS either in person or by telephone, facsimile or over the Internet. Except in states in which applicants are enrolled through a designated state agency, LTS will have contact with all prospective customers applying for Lifeline service, either in person through its employees or third party representatives, or by telephone, facsimile or over the Internet. Prospective customers who do not complete LTS' Lifeline Application in person must return the signed document and copies of government-issued photo identification and eligibility documentation to LTS by mail, facsimile, electronic mail or other electronic transmission. LTS will accept electronic signatures that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. §§ 7001-7006 and any applicable state laws.<sup>24</sup>

Every prospective subscriber will be required to complete LTS' revised "Lifeline Application." Exhibit 2 contains a sample Lifeline Application. The Company's revised Lifeline Application conforms to the subscriber certification requirements of the *Lifeline Reform Order* and 47 C.F.R. § 54.410.

Information Collection. LTS will collect the following information from prospective subscribers in its Lifeline Application forms: (1) the subscriber's full name; (2) the subscriber's full residential address (P.O. Boxes are not permitted); (3) whether the residential address is permanent or temporary; (4) the subscriber's billing address, if different; (5) the subscriber's date of birth; (6) the last four digits of the subscriber's Social Security number (or Tribal

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<sup>24</sup> 47 C.F.R. § 54.419.

identification number if the subscriber is a member of a Tribal nation and does not have a Social Security number); (7) if the subscriber is seeking to qualify for Lifeline under the program-based criteria, the name of the qualifying assistance program from which the subscriber, or his or her dependents, or his or her household receives benefits; and (8) if the subscriber is seeking to qualify for Lifeline under the income-based criterion, the number of individuals in his or her household.<sup>25</sup> The applicant must authorize the Company to release any records required for the administration of the Company Lifeline credit program, including to USAC to be used in a Lifeline program database.<sup>26</sup> The applicant also must authorize LTS to access any records required to verify the applicant's statements on the application form and to confirm the applicant's eligibility for the Company's Lifeline credit.

Applicant Certification. In accordance with 47 C.F.R. § 54.410(d), in its Lifeline Applications, LTS will require all Lifeline applicants to certify, under penalty of perjury, in writing or by electronic signature or interactive voice response recording,<sup>27</sup> that: (1) the subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline; (2) the subscriber will notify LTS within 30 days if, for any reason, he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the applicant no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit; (3) if the subscriber is seeking to qualify for Lifeline as an eligible resident of

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<sup>25</sup> 47 C.F.R. § 54.410(d)(2).

<sup>26</sup> See 47 C.F.R. § 54.404(b)(9). The application/certification form will also describe the information that will be transmitted, that the information is being transmitted to USAC to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied the Lifeline service. See *id.* See also Cricket Compliance Plan at 5.

<sup>27</sup> See *Lifeline Reform Order*, ¶¶ 168-69; 47 C.F.R. § 54.419.

Tribal lands, that he or she lives on Tribal lands; (4) if the subscriber moves to a new address, that he or she will provide that new address to LTS within 30 days; (5) if the subscriber provided a temporary residential address to LTS, the subscriber will verify his or her temporary residential address every 90 days; (6) the subscriber's household will receive only one Lifeline service and, to the best of the applicant's knowledge, the subscriber's household is not already receiving a Lifeline service; (7) the information contained in the subscriber's application/certification form is true and correct to the best of the subscriber's knowledge; (8) the subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and (9) the subscriber acknowledges that he or she may be required to re-certify his or her continued eligibility for Lifeline at any time, and that his or her failure to re-certify as to continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to the Commission's rules.<sup>28</sup>

Company Disclosures. In accordance with 47 C.F.R. § 54.410(d)(1), LTS' Lifeline Application will disclose the following information: (1) Lifeline is a federal benefit and willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program; (2) only one Lifeline service is available per household; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses; (4) a household is not permitted to receive Lifeline benefits from multiple providers; (5) violation of the one-per-household limitation constitutes a violation of the Commission's rules and will result

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<sup>28</sup> 47 C.F.R. § 54.410; *See also* Exhibit 2.

in the subscriber's de-enrollment from the program; and (6) Lifeline is a non-transferable benefit and the subscriber may not transfer his or her benefit to any other person.<sup>29</sup>

In accordance with 47 C.F.R. § 54.405(c), LTS' Lifeline Application will indicate, using easily understood language, that (1) LTS' low income targeted service is a Lifeline service; (2) Lifeline is a government assistance program; (3) the service is non-transferable; (4) only eligible consumers may enroll in the program; and (5) the program is limited to one discount per household.<sup>30</sup> In addition, LTS will notify applicants for its prepaid services that the prepaid service must be personally activated by the subscriber and the service will be deactivated and the subscriber de-enrolled if the subscriber does not use the service for 60 days.<sup>31</sup>

### **C. LTS' Procedures for Annual Verification of Lifeline Customers**

In accordance with the requirements of the *Lifeline Reform Order* and 47 C.F.R. § 54.410(f), LTS will annually re-certify all of its Lifeline subscribers by either (1) querying the appropriate eligibility or income databases, confirming that the subscriber continues to meet the program- or income-based eligibility requirements for Lifeline and documenting the results of that review, or (2) obtaining a signed certification from the subscriber that meets the certification requirements set forth in 47 C.F.R. § 54.410(d). The verification materials will inform the subscriber that he or she is being contacted to re-certify his or her continuing eligibility for Lifeline and if the subscriber fails to respond, he or she will be de-enrolled in the program.<sup>32</sup> The verification materials also will include a confirmation that the applicant's household will receive

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<sup>29</sup> *Id.*

<sup>30</sup> *See Lifeline Reform Order*, ¶ 275; 47 C.F.R. § 54.405(c).

<sup>31</sup> *See Lifeline Reform Order*, ¶ 257. As noted in Section V below, LTS maintains a billing relationship with its wireline subscribers. Consequently, the service activation and non-usage requirements will not apply to those services.

<sup>32</sup> *See Lifeline Reform Order*, ¶ 145.



only one Lifeline service and, to the best of the applicant's knowledge, the subscriber's household is receiving no more than one Lifeline service.<sup>33</sup>

Annual Verification. LTS will comply with the Commission's annual recertification and reporting requirements.<sup>34</sup> The Company will contact its subscribers via text message to their Lifeline supported telephone, or by mail, phone, email or other Internet communication. The notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company.

Verification De-Enrollment. LTS will de-enroll subscribers who do not respond to the annual verification or fail to provide proof of continued eligibility in accordance with the procedures set forth in 47 C.F.R. § 54.405(e)(4). The Company will send a single written notice explaining that failure to respond to the re-certification request within 30 days will result in the subscriber's de-enrollment from the Lifeline program. If the subscriber does not respond within the 30 days, the Company will de-enroll the subscriber within five business days.

### **III. LTS' PLANS FOR COMPLIANCE WITH THE FORBEARANCE CONDITIONS RELATING TO PUBLIC SAFETY AND 911/E911 ACCESS**

LTS will comply with the 911/E911 access conditions set forth in paragraph 373 of the *Lifeline Reform Order*. Specifically, LTS will: (1) provide its Lifeline subscribers with 911/E911 access at the time Lifeline service is initiated, regardless of activation status and availability of minutes, and (2) provide its Lifeline subscribers with E911-compliant handsets and replace, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services. This handset requirement is not applicable to LTS' wireline services. LTS will provide access to 911 and E911 services to the extent that

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<sup>33</sup> See *Lifeline Reform Order*, ¶ 120.

<sup>34</sup> See *Lifeline Reform Order*, ¶ 130.

these services have been deployed by its underlying wireless carrier. LTS commits to these practices going forward.

The Company's existing practices currently provide access to 911 and E911 services for all customers. With respect to its wireline services, the Company uses AT&T and CenturyLink as its underlying network providers/carriers pursuant to its interconnection agreements with the ILECs. The ILECs route 911 calls from LTS' customers in the same manner as 911 calls from their own retail customers. Consequently, LTS' wireline subscribers have access to 911/E911 services. The Company will use Sprint and Verizon Wireless as the underlying network providers/carriers for LTS' provision of wireless services. The underlying carriers will route 911 calls from LTS' customers in the same manner as 911 calls from the carriers' own retail customers. To the extent that the carriers are certified in a given PSAP territory, this 911 capability will function the same for LTS. LTS also will enable 911 emergency calling services for all properly activated handsets regardless of whether the account associated with the handset is active or suspended. Finally, LTS will transmit all 911 calls initiated from any of its handsets even if the account associated with the handset has no remaining minutes.

#### **IV. LTS' PLANS FOR COMPLIANCE WITH THE COMMISSION'S MARKETING AND DISCLOSURE REQUIREMENTS FOR PARTICIPATION IN THE LIFELINE PROGRAM**

LTS will incorporate into its marketing materials<sup>35</sup> for its Lifeline services, in clear, easily understood language: (1) that the service is supported by Lifeline; (2) that Lifeline is a government assistance program; (3) that the service is non-transferable; (4) that only eligible consumers may enroll in the program; (5) that the program is limited to one discount per

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<sup>35</sup> "Marketing materials" includes, but is not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. See *Lifeline Reform Order*, ¶276; 47 C.F.R. § 54.405(c).

household; (6) that documentation is necessary for enrollment; and (7) the Company's Lifeline Application will state that consumers who willfully make a false statement in order to obtain the Lifeline benefit can be punished by fine or imprisonment or can be barred from the program.<sup>36</sup> LTS also will disclose its name on all marketing materials.<sup>37</sup> These statements will be included in all print, audio video and web materials (including social networking media) used to describe or enroll customers in the Company's Lifeline service offering, as well as the Company's application forms and certification forms.<sup>38</sup> A sample of the Company's marketing materials is included as Exhibit 3.

## **V. LTS' PROCEDURES AND EFFORTS TO PREVENT WASTE, FRAUD AND ABUSE IN CONNECTION WITH LIFELINE FUNDS**

LTS shares the Commission's commitment to minimize waste, fraud and abuse of Lifeline benefits. Accordingly, LTS commits to implement a variety of measures and procedures intended to prevent duplicate Lifeline benefits from being awarded to the same household or individual.

**Prevention of Duplicates within LTS' Subscriber Base.** At the time of initial sign up of a new subscriber, the subscriber's service address is validated for accuracy against the United States Postal Service ("USPS") database and saved in the USPS-approved format, which permits LTS' subscriber database to more accurately prevent duplicates by preventing variations of the same address from appearing multiple times in the database. Once the address is validated for accuracy and format, it is checked against addresses for all LTS subscriber addresses. If an existing LTS subscriber is receiving service at the same address, LTS' system will not permit

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<sup>36</sup> *Lifeline Reform Order*, ¶ 275; 47 C.F.R. § 54.405(c).

<sup>37</sup> 47 C.F.R. § 54.405(d).

<sup>38</sup> *Id.*

any order for Lifeline service to proceed. LTS also conducts additional checks to ensure that the same subscriber is not receiving more than one service by reviewing the customer's government-issued photo identification and checking its database for the same subscriber name, date of birth and the last four digits of the person's social security number. LTS will conduct a check of its database and that of CGM to ensure LTS' subscribers are not also receiving Lifeline service from any LTS affiliate or other provider. Moreover, all orders for Lifeline service are subjected to a secondary USPS accuracy and format check the following day. Any corrections needed as a result of the secondary check, such as correcting address format, are promptly entered into LTS' system. LTS also conducts real-time scans of its database and CGM's Intercompany Duplicate Database to flag any duplicate addresses, dates of birth, etc. in addition to conducting manual reviews of its subscriber lists prior to filing its FCC Form 497s in order to ensure that it does not claim subsidies for any duplicate addresses or de-enrolled customers.

As LTS discussed in Section II. B., once the National Database becomes available, the Company will query it to confirm whether a prospective subscriber is currently receiving a Lifeline service from another ETC and whether anyone else living at the prospective subscriber's residential address is currently receiving Lifeline service.<sup>39</sup>

**Service Activation and Non-Usage.** LTS will not seek reimbursement for Lifeline service for any subscriber until the subscriber activates the service by whatever means specified by LTS, such as completing an outbound call.<sup>40</sup> When activating a phone at an in-person event,

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<sup>39</sup> See *Lifeline Reform Order*, ¶ 203. The Company will also transmit to the National Database the information required for each new and existing Lifeline subscriber. See *Lifeline Reform Order*, ¶¶ 189-195; section 54.404(b)(6). Further, LTS will update each subscriber's information in the National Database within ten business days of any change, except for de-enrollment, which will be transmitted within one business day. See 47 C.F.R. § 54.404(b)(8),(10).

<sup>40</sup> 47 C.F.R. § 54.407(c).

subscribers are directed to make a call in the presence of the LTS representative. Subscribers that receive handsets through the mail are provided with handsets and directions for completing the activation process. Those subscribers are directed to use the handset to call an LTS representative and that representative will verify the subscriber's identity before activating the telephone. All handsets come affixed with stickers identifying LTS as the provider of the Lifeline service and providing LTS' contact information for customer inquiries. It is LTS' policy that a prepaid subscriber who has not used his or her handset within 60 days is de-enrolled from the Lifeline program (after a 30-day notice period). LTS' non-usage policy ensures that only subscribers who actually utilize their wireless service continue to receive Lifeline-subsidized service, and that LTS only receives Lifeline support for those subscribers who remain enrolled in the program. LTS commits to continuing this practice in strict conformance with the requirements of 47 C.F.R. § 54.405(e)(3).

Specifically, after 60 days of non-use,<sup>41</sup> LTS will provide notice to the prepaid subscriber that failure to use the Lifeline service or provide other confirmation to LTS that the prepaid subscriber wishes to retain their Lifeline service within 30 days from the date of the de-enrollment notice will result in de-enrollment from the Lifeline program.<sup>42</sup> LTS is diligent in its outreach efforts to prevent subscribers from being de-enrolled due to inadvertent non-usage. After approximately 2-3 weeks of non-usage, the Company contacts subscribers and inquires about the subscriber's service. Specifically, LTS asks if the subscriber is experiencing any problems with the handset or service and explains how to add additional minutes to the

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<sup>41</sup> Subscribers can "use" the service by: (1) completing an outbound call; (2) purchasing minutes from LTS to add to the subscriber's plan; (3) answering an incoming call from a party other than LTS; or (4) responding to a direct contact from LTS confirming that the subscriber wants to continue receiving the service. 47 C.F.R. § 54.407(c)(2).

<sup>42</sup> 47 C.F.R. § 54.405(e)(3).

customer's service. This contact, referred to as "Contact Process 1" is conducted by voice message and/or text message. After 30 days of non-usage, LTS implements its "Contact Process 2". This entails contacting the subscriber again to ensure proper handset and service operation, describing the process for adding minutes of service and mentioning the potential for de-enrollment from the Lifeline service. Finally, "Contact Process 2W", which replicates Contact Process 2 and includes the sending of a written notice to the customer's address of record, is conducted after 45, 60 and 75 days of non-usage. If the subscriber does not respond to the Company's notices, the customer will be de-enrolled and LTS will not request further Lifeline reimbursement for the customer. LTS will report annually to the Commission the number of subscribers de-enrolled for non-usage by month.<sup>43</sup>

LTS assesses and collects a monthly fee from each wireline subscriber. Customers must pay the fee each month for the services they select and service will be disconnected if the fee is not paid. Customers typically make payments at retail store locations but can also make payments online, by mail or by telephone. Consequently, LTS has a regular billing relationship with its wireline Lifeline subscribers and the service activation and non-usage requirements will not apply.<sup>44</sup> Wireless subscribers choosing the 360 or 660 minute service offerings on the prepaid debit plans will have a system invoice generated and marked paid at the time of the debit transaction. Wireless subscribers that buy top up minutes are not billed.

### **One Per Household Rule.**

LTS will implement policies and practices in accordance with the Commission's rules and the *Lifeline Reform Order* to ensure that it provides only one Lifeline service per

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<sup>43</sup> *Id.*

<sup>44</sup> See *Lifeline Reform Order*, ¶¶ 257, 263. See also, 47 C.F.R. 54.407(c).

household.<sup>45</sup> As described above, LTS will implement procedures to ensure that LTS itself only provides one Lifeline service per household. LTS personnel are trained regarding subscriber eligibility and are instructed to emphasize the “one Lifeline per household” restriction in their communications with potential subscribers. When the National Lifeline Accountability Database becomes available, LTS will fully comply with the requirements of 47 C.F.R. § 54.404 and will utilize the database to determine if an applicant is currently receiving Lifeline service from another carrier or if another person residing at the applicant’s residential address is receiving Lifeline service. In addition, if LTS has a reasonable basis to believe that one of its Lifeline subscribers no longer meets the eligibility criteria, for example, due to a violation of the one-per-household rule, LTS will initiate its termination process in accordance with the procedures set forth in 47 C.F.R. § 54.405(e)(1).

Upon receiving an application for LTS’ Lifeline service, the Company will search its own internal records to ensure that it does not already provide Lifeline-supported service to someone at the same residential address.<sup>46</sup> If so, and the applicant lives at an address with multiple households, the Company will require the applicant to complete and submit a written USAC document containing the following: (1) an explanation of the Commission’s one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an

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<sup>45</sup> A “household” is any individual or group of individuals who are living together at the same address as one economic unit. A household may include related and unrelated persons. An “economic unit” consists of all adult individuals contributing to and sharing in the income and expenses of a household. An adult is any person eighteen years or older. If an adult has no or minimal income, and lives with someone who provides financial support to him/her, both people shall be considered part of the same household. Children under the age of eighteen living with their parents or guardians are considered to be part of the same household as their parents or guardians. *See Lifeline Reform Order*, ¶ 74; §54.400(h).

<sup>46</sup> *See Lifeline Reform Order*, ¶ 78.

address with other adults who do not contribute income to the applicant's household and share in the household's expenses or benefit from the applicant's income, pursuant to the Commission's definition; and (4) the penalty for a consumer's failure to make the required one-per-household certification (*i.e.*, de-enrollment).<sup>47</sup> Further, if a subscriber provides a temporary address on his or her application/certification form collected as described above, the Company will verify with the subscriber every 90 days that the subscriber continues to rely on that address.<sup>48</sup>

In addition, Company personnel will inform each Lifeline applicant that he or she may be receiving Lifeline support under another name, and facilitate the applicant's understanding of what constitutes "Lifeline-supported services," and ability to determine whether he or she is already benefiting from Lifeline support, by informing the consumer that all Lifeline services may not be currently marketed under the name Lifeline. LTS will also ask each customer whether they are receiving Lifeline service from one of the other major Lifeline providers in the state (*e.g.*, SafeLink, Assurance). Employees and agents will emphasize that Lifeline is a government assistance program and willfully making false statements to obtain a Lifeline benefit can result in fines, imprisonment, de-enrollment or being barred from the program. Finally, at the time of enrollment, LTS will check each applicant against a pooled duplicates database and will also conduct a check of its own databases to ensure LTS' subscribers are not also receiving Lifeline service from any LTS affiliate.

### **Company Reimbursements from the Fund**

To ensure that LTS does not seek reimbursement from the Fund without a subscriber's consent, LTS will certify, as part of each reimbursement request, that it is in compliance with all

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<sup>47</sup> *Id.* The USAC worksheet is available at <http://www.usac.org.li/tolls/news/default.aspx>.

<sup>48</sup> See *Lifeline Reform Order*, ¶ 89.



of the Commission's Lifeline rules and, to the extent required, has obtained valid certification and verification forms from each of the subscribers for whom it is seeking reimbursement.<sup>49</sup> Further, the Company will transition the submission of its FCC Forms 497 to the eighth day of each month in order to be reimbursed the same month.<sup>50</sup> In addition, LTS will keep accurate records as directed by USAC<sup>51</sup> and as required by new section 54.417 of the Commission's rules.

### **Annual Company Certifications**

LTS will submit an annual certification to USAC, signed by a Company officer under penalty of perjury, that LTS: (1) has policies and procedures in place to review consumers' documentation of income- and program-based eligibility and ensure that its Lifeline subscribers are eligible to receive Lifeline services;<sup>52</sup> (2) is in compliance with all federal Lifeline certification procedures;<sup>53</sup> and (3) has obtained a valid certification form for each subscriber for whom the carrier seeks Lifeline reimbursement.<sup>54</sup>

In addition, the Company will provide the results of its annual re-certifications/verifications on an annual basis to the Commission, USAC, the applicable state commission and the relevant Tribal governments (for subscribers residing on Tribal lands).<sup>55</sup>

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<sup>49</sup> See *Lifeline Reform Order*, ¶ 128; § 54.407(d).

<sup>50</sup> See *Lifeline Reform Order*, ¶¶ 302-306.

<sup>51</sup> See § 54.407(e).

<sup>52</sup> See *Lifeline Reform Order*, ¶ 126; § 54.416(a)(1).

<sup>53</sup> See *Lifeline Reform Order*, ¶ 127; § 54.416(a)(2).

<sup>54</sup> See § 54.416(a)(3).

<sup>55</sup> See *Lifeline Reform Order*, ¶¶ 132,148; § 54.416(b).

Further, as discussed above, Company will report annually to the Commission the number of subscribers de-enrolled for non-usage by month.<sup>56</sup>

The Company will also annually report to the Commission, USAC, and relevant state commissions and the relevant authority in a U.S. territory or Tribal government as appropriate,<sup>57</sup> the company name, names of the company's holding company, operating companies and affiliates, and any branding (such as a "dba" or brand designation) as well as relevant universal service identifiers for each entity by Study Area Code.<sup>58</sup> LTS will report annually information regarding the terms and conditions of its Lifeline plans for voice telephony service offered specifically for low-income consumers during the previous year, including the number of minutes provided and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.<sup>59</sup> Finally, the Company will annually provide detailed information regarding service outages in the previous year, the number of complaints received and certification of compliance with applicable service quality standards and consumer protection rules, as well as a certification that the Company is able to function in emergency situations.<sup>60</sup>

## **VI. COOPERATION WITH STATE AND FEDERAL REGULATORS**

LTS has cooperated and will continue to cooperate with federal and state regulators to prevent waste, fraud and abuse. More specifically, the Company will:

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<sup>56</sup> See *Lifeline Reform Order*, ¶ 257; § 54.405(e)(3).

<sup>57</sup> See § 54.422(c).

<sup>58</sup> See *Lifeline Reform Order*, ¶¶ 296, 390; § 54.422(a).

<sup>59</sup> See *Lifeline Reform Order*, ¶ 390; § 54.422(b)(5).

<sup>60</sup> See *Lifeline Reform Order*, ¶ 389; § 54.422(b)(1)-(4).

- Make available, upon request, state-specific subscriber data, including the names and addresses of Lifeline subscribers, to USAC and to each state public utilities commission where the Company operates for the purpose of determining whether an existing Lifeline subscriber receives Lifeline service from another carrier;<sup>61</sup>
- Assist the Commission, USAC, state commissions, and other ETCs in resolving instances of duplicative enrollment by Lifeline subscribers, including by providing to USAC and/or any state commission, upon request, the necessary information to detect and resolve duplicative Lifeline claims;
- Promptly investigate any notification that it receives from the Commission, USAC, or a state commission to the effect that one of its customers already receives Lifeline services from another carrier; and
- Immediately de-enroll any subscriber whom the Company has a reasonable basis to believe<sup>62</sup> is receiving Lifeline-supported service from another ETC or is no longer eligible – whether or not such information is provided by the Commission, USAC, or a state commission.

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<sup>61</sup> The Company anticipates that the need to provide such information will sunset following the implementation of the national duplicates database.

<sup>62</sup> See § 54.405(e)(1).

## VII. CONCLUSION

LTS submits that the foregoing Compliance Plan fully satisfies the conditions set forth in the *Lifeline Reform Order*, the *Compliance Plan Public Notice* and the Commission's rules pertaining to Lifeline. Accordingly, LTS respectfully requests expeditious approval of this Compliance Plan so that LTS may provide essential Lifeline service to eligible wireline and wireless low-income customers in the various states for which it has pending ETC petitions.

Respectfully submitted,



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John J. Heitmann  
Denise N. Smith  
Kelley Drye & Warren, LLP  
3050 K Street, NW  
Suite 400  
Washington, D.C. 20007  
(202) 342-8400

*Counsel to LTS of Rocky Mount, LLC*

February 5, 2013

# Exhibit 1

## Lifeline Offerings

<b>Plan Description</b>	<b>Retail Price</b>
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LTS of Rocky Mount offers the following rate plans to eligible Lifeline subscribers.

<b>150 Free Minutes and a Free Phone</b>	<b>Free</b>
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This plan includes a phone plus 150 free voice minutes. Unused minutes are rolled over each month and the rolled over minutes are available for 30 days. The account is then automatically replenished with the next month's 150 free voice minutes. If a subscriber runs out of minutes, they have the option to purchase additional voice minutes in increments of \$10, \$16, \$21 and \$27 denominations, with the price ranging from \$.10 to \$.042 per minute\*. This plan includes nationwide coverage, voice mail, call waiting, Caller ID and text-messaging (one text equates to one minute of airtime).

<b>250 Free Minutes and a Free Phone</b>	<b>Free</b>
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This plan includes a phone plus 250 free voice minutes. Unused minutes expire at the end of the last day of their cycle. The account is then automatically replenished with the next month's 250 free voice minutes. If a subscriber runs out of minutes, they have the option to purchase additional voice minutes in increments of \$10, \$16, \$21 and \$27 denominations, with the price ranging from \$.10 to \$.042 per minute\*. This plan includes nationwide coverage, voice mail, call waiting, Caller ID and text-messaging (one text equates to one minute of airtime).

<b>360 Minute Plan and a Free Phone</b>	<b>\$6.00</b>
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150 Free Voice Minutes, a Free Phone and 210 additional voice minutes if customer agrees to a monthly credit/debit card automatic payment of \$6 in advance each month. Unused minutes are rolled over each month and are available for 90 days. Each month, the account is automatically replenished with the next month's 150 free voice minutes and 210 additional voice minutes. If a subscriber runs out of minutes, they have the option to purchase additional voice minutes in increments of \$10, \$16, \$21 and \$27 denominations, with the price ranging from \$.10 to \$.042 per minute\*. This plan includes nationwide coverage, voice mail, call waiting, Caller ID and text-messaging (one text equates to one minute of airtime).

<b>660 Minute Plan and a Free Phone</b>	<b>\$15.00</b>
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150 Free Voice Minutes, a Free Phone and 510 additional voice minutes if customer agrees to a monthly credit/debit card automatic payment of \$15 in advance each month. Unused minutes are rolled over each month and are available for 90 days. Each month, the account is automatically replenished with the next month's 150 free voice minutes and 510 additional voice minutes. If a subscriber runs out of minutes, they have the option to purchase additional voice minutes in

increments of \$10, \$16, \$21 and \$27 denominations, with the price ranging from \$.10 to \$.042 per minute\*. This plan includes nationwide coverage, voice mail, call waiting, Caller ID and text-messaging (two texts equate to one minute of airtime).

Calls to 911 are free.

\*Applicable taxes and government fees are assessed to plan additions.

#### Wireline - Unlimited Local and Domestic Long Distance

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\$20.99 (CenturyLink territory)/24.95 (AT&T territory)

Wireline Lifeline subscribers receive unlimited local and long distance calling for a set monthly charge. Charges vary by state/zone and are dependent upon the underlying ILEC's charge variations. Subscribers may be eligible to receive call waiting and Caller ID at no additional charge or at a low rate depending on the subscriber's location. Subscribers are issued an invoice each month for the services they select and service will be disconnected if the fee is not paid. Calls to 911 are available at no charge. Above service rates reflects the Lifeline discount.

## Exhibit 2

# Lifeline Application Form





**LTS of Rocky Mount, LLC**  
**[State] Wireless Lifeline Service Application and Certification**

Mail or fax form completed and signed form to:  
1803 W. Fairfield Drive, Unit 1  
Pensacola, FL 32501  
Fax (850) 437-9953/ Customer Service: (877) 279-1689

A complete and signed Lifeline Service Application and Certification ("Certification") is required to enroll you in LTS of Rocky Mount, LLC's ("LTS" or the "Company") Lifeline service program in your state. This Certification is only for the purpose of verifying your eligibility for Lifeline service and will not be used for any other purpose. Service requests will not be processed until this Form has been received and verified by the Company.

**One Lifeline service per household disclosures:** Lifeline is a government assistance program and willfully making false statements to obtain a Lifeline benefit can result in fines, imprisonment, de-enrollment or being barred from the program. Lifeline benefits are limited to a single line of service per household. A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses. A household may not receive multiple Lifeline discounts. You may apply your Lifeline discount to either one landline or one wireless number, but you cannot have the discount on both and you cannot receive Lifeline benefits from multiple providers. Note that not all Lifeline services are currently marketed under the name Lifeline. Lifeline is a non-transferable benefit and you may not transfer your benefit to any other person, including another eligible low-income consumer. Violation of the one-per-household limitation constitutes a violation of the Federal Communications Commission's rules and will result in your de-enrollment from the program, and potentially prosecution by the United States Government.

☐ I hereby certify that I have read and understood the disclosures listed above and that, to the best of my knowledge, my household is not already receiving a Lifeline service benefit.

**Customer eligibility certification:** I hereby certify that I participate in at least one of the following programs (**check one**):

- |   |  |
|---|--|
| <input type="checkbox"/> Supplemental Nutrition Assistance Program (SNAP)   | <input type="checkbox"/> Income at or below 135% of Federal Poverty Guidelines     |
| <input type="checkbox"/> Section 8 Federal Public Housing Assistance (FPHA) | <input type="checkbox"/> Food Distribution Program on Indian Reservations (FDPIR)  |
| <input type="checkbox"/> Medicaid (not Medicare)                            | <input type="checkbox"/> Bureau of Indian Affairs General Assistance (BIA)         |
| <input type="checkbox"/> Supplemental Security Income (SSI)                 | <input type="checkbox"/> Tribally Administered TANF (TATNF)                        |
| <input type="checkbox"/> Temporary Assistance for Needy Families (TANF)     | <input type="checkbox"/> Head Start (meeting income qualifying standards) (Tribal) |
| <input type="checkbox"/> Low Income Home Energy Assistance Program (LIHEAP) |  |
| <input type="checkbox"/> National School Lunch Program's free lunch program |  |

**Tribal eligibility:**

☐ I hereby certify that I reside on Federally-recognized Tribal lands.

**Customer Application Information:**

First Name: \_\_\_\_\_ Middle Name: \_\_\_\_\_ Last Name: \_\_\_\_\_  
Date of Birth: Month: \_\_\_\_ Day: \_\_\_\_ Year: \_\_\_\_ Last Four Digits of Social Security Number (or Tribal ID Number): \_\_\_\_  
If Qualifying for Lifeline by Income, number of Individuals in Household: \_\_\_\_  
Home Telephone Number (if available): \_\_\_\_\_

**Residential Address (P.O. Box NOT sufficient)**

Number: \_\_\_\_\_ Apt: \_\_\_\_\_ Street: \_\_\_\_\_ City: \_\_\_\_\_  
State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Address is (choose one): ☐ Permanent ☐ Temporary

**Billing Address (if different from Residential Address) (P.O. Box IS sufficient)**

Number: \_\_\_\_\_ Apt: \_\_\_\_\_ Street: \_\_\_\_\_ City: \_\_\_\_\_  
State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**Multiple households sharing and address:**

☐ I hereby certify that I reside at an address occupied by multiple households, including adults who do not contribute income to my household and/or share in my household's expenses, and I will complete a separate additional form.

**Activation and usage requirement disclosures:** This service is a prepaid service and you must personally activate it by calling (877) 757-4663. To keep your account active, you must use your Lifeline service at least once during any 60 day period by completing an

outbound call, purchasing additional minutes from LTS, answering an in-bound call from someone other than LTS, or by responding to a direct contact from the Company confirming that you want to continue receiving Lifeline service from LTS. If your service goes unused for 60 days, you will no longer be eligible for Lifeline benefits and your service will be suspended (allowing only 911 calls and calls to the Company's customer care center) subject to a 30 day cure period during which you may use the service (as described above) or contact the Company to confirm that you want to continue receiving Lifeline service from LTS.

☐ I hereby certify that I have read and understood the disclosures listed above regarding activation and usage requirements.

**Authorizations:**

☐ I hereby authorize the Company to access any records required to verify my statements on this form and to confirm my eligibility for the Lifeline program. I also authorize the Company to release any records required for the administration of the Lifeline program (e.g., name, telephone number and address), including to the Universal Service Administrative Company, to be used in a Lifeline database and to ensure the proper administration of the Lifeline Program. Failure to consent will result in denial of service.

**Additional certifications:** I hereby certify, under penalty of perjury, that (check each box):

- ☐ I meet the income-based or program-based eligibility criteria for receiving Lifeline service and have provided documentation of eligibility if required
- ☐ I will notify the Company within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline including, as relevant, if I no longer meet the income-based or program-based eligibility criteria, I begin receiving more than one Lifeline benefit, or another member of my household is receiving a Lifeline benefit. I understand that I may be subject to penalties if I fail to follow this requirement
- ☐ I am not listed as a dependent on another person's tax return (unless over the age of 60)
- ☐ The address listed below is my primary residence, not a second home or business
- ☐ If I move to a new address, I will provide that new address to the Company within 30 days
- ☐ If I provided a temporary residential address to the Company, I will verify my temporary residential address every 90 days
- ☐ I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law
- ☐ I acknowledge that I may be required to re-certify my continued eligibility for Lifeline at any time, and my failure to re-certify as to my continued eligibility within 30 days will result in de-enrollment and the termination of my Lifeline benefits
- ☐ The information contained in this certification form is true and correct to the best of my knowledge

**Applicant's Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**For Agent Use Only (check the appropriate boxes for the proof of eligibility viewed and provide information requested; do not copy or retain documentation):**

**Documents Acceptable Proof for Income-Eligibility (check 1)\*:**

- ☐ The prior year's state, federal, or Tribal tax return,
- ☐ Current income statement from an employer or paycheck stub,
- ☐ A Social Security statement of benefits,
- ☐ A Veterans Administration statement of benefits,
- ☐ A retirement/pension statement of benefits,
- ☐ An Unemployment/Workmen's Compensation statement of benefits,
- ☐ Federal or Tribal notice letter of participation in General Assistance, or
- ☐ A divorce decree, child support award, or other official document

\* If the documentation of income does not cover a full year, the applicant must present the same type of documentation covering three consecutive months within the previous 12 months.

**List B - Choose 1:**

- ☐ Program participation card/document
- ☐ Prior year's statement of benefits
- ☐ Notice letter of participation
- ☐ Other official document evidencing participation \_\_\_\_\_

Last 4 digits of Document from List B \_\_\_\_\_

Date of Proof Document: \_\_\_\_/\_\_\_\_/\_\_\_\_

Expiration Date of Proof Document: \_\_\_\_/\_\_\_\_/\_\_\_\_

**Documents Acceptable Proof for Program-Eligibility (choose 1 from each list A and B below):**

**List A - Choose 1**

- ☐ Supplemental Nutrition Assistance Program (SNAP)
- ☐ Medicaid
- ☐ Section 8 Federal Public Housing Assistance (FPHA)
- ☐ Supplemental Security Income (SSI)
- ☐ Temporary Assistance for Needy Families (TANF)
- ☐ Low Income Home Energy Assistance Program (LIHEAP)
- ☐ National School Lunch Program's free lunch program
- ☐ Food Distribution Program on Indian Reservations (FDPIR)
- ☐ Bureau of Indian Affairs General Assistance (BIA)
- ☐ Tribally Administered TANF (TATNF)
- ☐ Head Start (meeting income qualifying standards)
- ☐ State Program 1
- ☐ State Program 2

Applicant Account Number	Rep/Agent Signature



[State] Wireline Lifeline Service Application and Certification  
Mail or fax form completed and signed form to:  
1803 W. Fairfield Drive, Unit 1  
Pensacola, FL 32501  
Fax (850) 437-9953/ Customer Service: (877) 279-1689

A complete and signed Lifeline Service Application and Certification ("Certification") is required to enroll you in LTS of Rocky Mount, LLC ("the Company's") Lifeline service program in your state. This Certification is only for the purpose of verifying your eligibility for Lifeline service and will not be used for any other purpose. Service requests will not be processed until this Form has been received and verified by Company.

**One Lifeline service per household disclosures:** Lifeline is a government assistance program and willfully making false statements to obtain a Lifeline benefit can result in fines, imprisonment, de-enrollment or being barred from the program. Lifeline benefits are limited to a single line of service per household. A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses. A household may not receive multiple Lifeline discounts. You may apply your Lifeline discount to either one landline or one wireless number, but you cannot have the discount on both and you cannot receive Lifeline benefits from multiple providers. Note that not all Lifeline services are currently marketed under the name Lifeline. Lifeline is a non-transferable benefit and you may not transfer your benefit to any other person, including another eligible low-income consumer. Violation of the one-per-household limitation constitutes a violation of the Federal Communications Commission's rules and will result in your de-enrollment from the program, and potentially prosecution by the United States Government.

☐ **I hereby certify that I have read and understood the disclosures listed above and that, to the best of my knowledge, my household is not already receiving a Lifeline service benefit.**

**Customer eligibility certification:** I hereby certify that I participate in at least one of the following programs (**check one**):

- |   |  |
|---|--|
| <input type="checkbox"/> Supplemental Nutrition Assistance Program (SNAP)   | <input type="checkbox"/> Income at or below 135% of Federal Poverty Guidelines     |
| <input type="checkbox"/> Section 8 Federal Public Housing Assistance (FPHA) | <input type="checkbox"/> Food Distribution Program on Indian Reservations (FDPIR)  |
| <input type="checkbox"/> Medicaid (not Medicare)                            | <input type="checkbox"/> Bureau of Indian Affairs General Assistance (BIA)         |
| <input type="checkbox"/> Supplemental Security Income (SSI)                 | <input type="checkbox"/> Tribally Administered TANF (TATNF)                        |
| <input type="checkbox"/> Temporary Assistance for Needy Families (TANF)     | <input type="checkbox"/> Head Start (meeting income qualifying standards) (Tribal) |
| <input type="checkbox"/> Low Income Home Energy Assistance Program (LIHEAP) |  |
| <input type="checkbox"/> National School Lunch Program's free lunch program |  |

**Tribal eligibility:**

☐ **I hereby certify that I reside on Federally-recognized Tribal lands.**

**Customer Application Information:**

First Name: \_\_\_\_\_ Middle Name: \_\_\_\_\_ Last Name: \_\_\_\_\_  
Date of Birth: Month: \_\_\_\_\_ Day: \_\_\_\_\_ Year: \_\_\_\_\_ Last Four Digits of Social Security Number (or Tribal ID Number): \_\_\_\_\_  
If Qualifying for Lifeline by Income, number of Individuals in Household: \_\_\_\_\_  
Home Telephone Number (if available): \_\_\_\_\_

Residential Address (P.O. Box NOT sufficient)

Number: \_\_\_\_\_ Apt: \_\_\_\_\_ Street: \_\_\_\_\_ City: \_\_\_\_\_

State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Address is (choose one): ☐ Permanent ☐ Temporary

Billing Address (if different from Residential Address) (P.O. Box IS sufficient)

Number: \_\_\_\_\_ Apt: \_\_\_\_\_ Street: \_\_\_\_\_ City: \_\_\_\_\_

State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**Multiple households sharing and address:**

☐ **I hereby certify that I reside at an address occupied by multiple households, including adults who do not contribute income to my household and/or share in my household's expenses, and I will complete a separate additional form.**

**Authorizations:**

- ☐ I hereby authorize the Company to access any records required to verify my statements on this form and to confirm my eligibility for the Lifeline program. I also authorize the Company to release any records required for the administration of the Lifeline program ( name, telephone number, address, date of birth, last 4 digits of SSN, amount of support being sought, means of qualification for support, and dates of service initiation and termination), including to the Universal Service Administrative Company, to be used in a Lifeline database and to ensure the proper administration of the Lifeline Program. Failure to consent will result in denial of service.

**Additional certifications:** I hereby certify, under penalty of perjury, that (check each box):

- ☐ I meet the income-based or program-based eligibility criteria for receiving Lifeline service and have provided documentation of eligibility if required
- ☐ I will notify the Company within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline including, as relevant, if I no longer meet the income-based or program-based eligibility criteria, I begin receiving more than one Lifeline benefit, or another member of my household is receiving a Lifeline benefit. I understand that I may be subject to penalties if I fail to follow this requirement
- ☐ I am not listed as a dependent on another person's tax return (unless over the age of 60)
- ☐ The address listed below is my primary residence, not a second home or business
- ☐ If I move to a new address, I will provide that new address to the Company within 30 days
- ☐ If I provided a temporary residential address to the Company, I will verify my temporary residential address every 90 days
- ☐ I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law
- ☐ I acknowledge that I may be required to re-certify my continued eligibility for Lifeline at any time, and my failure to re-certify as to my continued eligibility within 30 days will result in de-enrollment and the termination of my Lifeline benefits
- ☐ The information contained in this certification form is true and correct to the best of my knowledge

**Applicant's Signature** \_\_\_\_\_ **Date:** \_\_\_\_\_

**For Agent Use Only (check the appropriate boxes for the proof of eligibility viewed and provide information requested; do not copy or retain documentation):**

**Documents Acceptable Proof for Income-Eligibility (check 1)\*:**

- ☐ The prior year's state, federal, or Tribal tax return,
- ☐ Current income statement from an employer or paycheck stub,
- ☐ A Social Security statement of benefits,
- ☐ A Veterans Administration statement of benefits,
- ☐ A retirement/pension statement of benefits,
- ☐ An Unemployment/Workmen's Compensation statement of benefits,
- ☐ Federal or Tribal notice letter of participation in General Assistance, or
- ☐ A divorce decree, child support award, or other official document containing income information.

\*If the documentation of income does not cover a full year, the applicant must present the same type of documentation covering three consecutive months within the previous 12 months.

List B - Choose 1:

- ☐ Program participation card/document
- ☐ Prior year's statement of benefits
- ☐ Notice letter of participation
- ☐ Other official document evidencing participation \_\_\_\_\_

Last 4 digits of Document from List B \_\_\_\_\_

Date of Proof Document: \_\_\_\_\_

Expiration Date of Proof Document: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**Documents Acceptable Proof for Program-Eligibility (choose 1 from each list A and B below):**

List A - Choose 1

- ☐ Supplemental Nutrition Assistance Program (SNAP)
- ☐ Medicaid
- ☐ Section 8 Federal Public Housing Assistance (FPHA)
- ☐ Supplemental Security Income (SSI)
- ☐ Temporary Assistance for Needy Families (TANF)
- ☐ Low Income Home Energy Assistance Program (LIHEAP)
- ☐ National School Lunch Program's free lunch program
- ☐ Food Distribution Program on Indian Reservations (FDPIR)
- ☐ Bureau of Indian Affairs General Assistance (BIA)
- ☐ Tribally Administered TANF (TATNF)
- ☐ Head Start (meeting income qualifying standards)

Applicant Account Number	Rep/Agent Signature

## **LTS of Rocky Mount, LLC Lifeline Service Application Income Eligibility Worksheet**

Individuals in all states are able to enroll in the Lifeline program by demonstrating that their household's annual income is at or below 135% of the Federal Poverty Guidelines. This table should be used to determine whether a Lifeline applicant is eligible for Lifeline service based on the number of individuals in the applicant's household and the applicant's household annual income:

HOUSEHOLD SIZE	INCOME LEVEL
1	\$15,080
2	\$20,426
3	\$25,772
4	\$31,118
5	\$36,464
6	\$41,810
7	\$47,156
8	\$52,502
For each additional person	Add \$5,346

**Applicants must list the number of individuals in the applicant's household on the Lifeline application form.** Applicants seeking to qualify for Lifeline service based on their household income must present one of the following documents in order to prove eligibility:

- the prior year's state, federal, or Tribal tax return
- current income statement from an employer or paycheck stub
- a Social Security statement of benefits
- a Veterans Administration statement of benefits
- a retirement/pension statement of benefits
- an Unemployment/Workmen's Compensation statement of benefits
- Federal or Tribal notice letter of participation in General Assistance
- a divorce decree, child support award, or other official document containing income information

\* If the documentation of income does not cover a full year, the applicant must present the same type of documentation covering three consecutive months within the previous 12 months.

**This is a Lifeline service provided by LTS of Rocky Mount, LLC. Lifeline is a government assistance program. Only one Lifeline service is available per household. Households are not permitted to receive multiple Lifeline benefits whether they are from one or multiple companies, wireless or wireline. Proof of eligibility is required for enrollment and only eligible customers may enroll in Lifeline service. Consumers who willingly make false statements to obtain the benefit can be punished by fine or imprisonment or can be barred from the program. Lifeline is a non-transferable benefit. Lifeline customers may not transfer their benefits to any other person.**

# Exhibit 3

## Sample Marketing Materials

# **Wireless Phone Service**

## **Pay Nothing to Start Service**

150 OR 250 Free Minutes every month  
for local and national long distance  
calls, texting, and More!



**If you or any other member of your household  
receives:**

**Medicaid - Food Stamps - TANF - SSI - Federal Public  
Housing Assistance - Low Income Energy –  
Head Start – Free School Lunch Program**

LTS' service is a Lifeline service. Lifeline is a government assistance program. Only eligible customers may participate in the Lifeline program and participation is limited to one benefit per household consisting of either wireline or wireless service. Documented proof of participation in a government assisted program or income qualification is required for enrollment. Lifeline service is non-transferable.

# **877-889-9311**

# **EXHIBIT C**

## **Proposed Lifeline Services Study Areas**



State	SAC	Study Area Name	Rural or Non-Rural
AL	255181	SO CENTRAL BELL-AL	Non-rural
AL	259788	CENTURYTEL-AL-SOUTH	Non-rural
AL	259789	CENTURYTEL-AL-NORTH	Non-rural
AL	250282	BLOUNTSVILLE TEL CO	Rural
AL	250283	BRINDLEE MOUNTAIN	Rural
AL	250284	BUTLER TEL CO	Rural
AL	250285	CASTLEBERRY TEL CO	Rural
AL	250286	NATIONAL OF ALABAMA	Rural
AL	250290	FARMERS TELECOM COOP	Rural
AL	250295	KNOLOGY TOTAL COMMUNICATIONS	Rural
AL	250298	GULF TEL CO - AL	Rural
AL	250299	HAYNEVILLE TEL CO	Rural
AL	250300	HOPPER TELECOM.CO	Rural
AL	250301	FRONTIER-LAMAR CNTY	Rural
AL	250302	WINDSTREAM AL	Rural
AL	250304	MILLRY TEL CO	Rural
AL	250305	MON-CRE TEL COOP	Rural
AL	250306	FRONTIER COMM.-AL	Rural
AL	250307	MOUNDEVILLE TEL CO	Rural
AL	250308	NEW HOPE TEL COOP	Rural
AL	250311	OAKMAN TEL CO (TDS)	Rural
AL	250312	OTELCO TELEPHONE LLC	Rural
AL	250314	PEOPLES TEL CO	Rural
AL	250315	PINE BELT TEL CO	Rural
AL	250316	RAGLAND TEL CO	Rural
AL	250317	ROANOKE TEL CO	Rural
AL	250318	FRONTIER COMM-SOUTH	Rural
AL	250322	UNION SPRINGS TEL CO	Rural
CT	132454	THE WOODBURY TEL CO	Rural
CT	135200	SOUTHERN NEW ENGLAND	Non-rural
DC	575020	VERIZON WA, DC INC.	Non-rural
DE	565010	VERIZON DELAWARE INC	Non-rural
FL	210328	VERIZON FLORIDA	Non-rural
FL	215191	FL SO. CENTRAL BELL	Non-rural
FL	210291	GTC, INC.	Rural
FL	210318	FRONTIER COMM-SOUTH	Rural
FL	210329	GTC, INC.	Rural
FL	210330	SMART CITY TEL LLC	Rural
FL	210331	ITS TELECOMM. SYS.	Rural
FL	210335	NORTHEAST FLORIDA	Rural
FL	210336	WINDSTREAM FL	Rural
FL	210338	QUINCY TEL CO-FL DIV	Rural
FL	210339	GTC, INC.	Rural
FL	210341	EMBARQ FLORIDA INC. FKA SPRINT	Rural
NC	230479	FRONTIER COMMUNICATIONS OF THE CAROLINAS, INC.	Non-rural

NC	230509	FRONTIER COMMUNICATIONS OF THE CAROLINAS, INC.	Non-rural
NC	230864	VERIZON SOUTH INC. DBA NORTH CAROLINA	Non-rural
NC	235193	SOUTHERN BELL-NC	Non-rural
NC	230468	ATLANTIC MEMBERSHIP	Rural
NC	230469	BARNARDSVILLE TEL CO	Rural
NC	230470	CAROLINA TEL & TEL	Rural
NC	230471	CENTEL OF NC	Rural
NC	230473	CITIZENS TEL CO	Rural
NC	230474	CONCORD TEL CO	Rural
NC	230476	WINDSTREAM NC	Rural
NC	230478	ELLERBE TEL CO	Rural
NC	230483	LEXCOM TELEPHONE CO.	Rural
NC	230485	MEBTel, INC.	Rural
NC	230491	N.ST. DBA N. ST.COMM	Rural
NC	230494	PINEVILLE TEL CO	Rural
NC	230495	RANDOLPH TEL CO	Rural
NC	230496	RANDOLPH MEMBERSHIP	Rural
NC	230497	PIEDMONT MEMBERSHIP	Rural
NC	230498	SALUDA MOUNTAIN TEL	Rural
NC	230500	SERVICE TEL CO	Rural
NC	230501	SKYLINE MEMBERSHIP	Rural
NC	230502	STAR MEMBERSHIP CORP	Rural
NC	230503	SURRY MEMBERSHIP	Rural
NC	230505	TRI COUNTY TEL MEMBR	Rural
NC	230510	WILKES MEMBERSHIP	Rural
NC	230511	YADKIN VALLEY TEL	Rural
NH	125113	NORTHERN NEW ENGLAND TELEPHONE OPERATIONS LLC	Non-rural
NH	120038	BRETTON WOODS TEL CO	Rural
NH	120039	GRANITE STATE TEL	Rural
NH	120042	DIXVILLE TEL CO	Rural
NH	120043	DUNBARTON TEL CO	Rural
NH	120045	KEARSARGE TEL CO	Rural
NH	120047	MERRIMACK COUNTY TEL	Rural
NH	120049	UNION TEL CO	Rural
NH	120050	WILTON TEL CO - NH	Rural
NH	123321	MCTA, INC.	Rural
NY	150121	FRONTIER-ROCHESTER	Non-rural
NY	155130	VERIZON NEW YORK	Non-rural
NY	150071	ARMSTRONG TEL CO-NY	Rural
NY	150072	FRONTIER-AUSABLE VAL	Rural
NY	150073	BERKSHIRE TEL CORP	Rural
NY	150076	CASSADAGA TEL CORP	Rural
NY	150077	CHAMPLAIN TEL CO	Rural
NY	150078	CHAUTAUQUA & ERIE	Rural
NY	150079	CHAZY & WESTPORT	Rural
NY	150081	CITIZENS HAMMOND NY	Rural
NY	150084	TACONIC TEL CORP	Rural
NY	150085	CROWN POINT TEL CORP	Rural

NY	150088	DELHI TEL CO	Rural
NY	150089	DEPOSIT TEL CO	Rural
NY	150091	DUNKIRK & FREDONIA	Rural
NY	150092	EDWARDS TEL CO	Rural
NY	150093	EMPIRE TEL CORP	Rural
NY	150095	FISHERS ISLAND TEL	Rural
NY	150097	GERMANTOWN TEL CO	Rural
NY	150099	HANCOCK TEL CO	Rural
NY	150100	FRONTIER COMM OF NY	Rural
NY	150104	MARGARETVILLE TEL CO	Rural
NY	150105	MIDDLEBURGH TEL CO	Rural
NY	150106	WINDSTREAM NY-FULTON	Rural
NY	150107	NEWPORT TEL CO	Rural
NY	150108	NICHOLVILLE TEL CO	Rural
NY	150109	WINDSTREAM-JAMESTOWN	Rural
NY	150110	OGDEN TEL DBA FRNTER	Rural
NY	150111	ONEIDA COUNTY RURAL	Rural
NY	150112	ONTARIO TEL CO, INC.	Rural
NY	150113	WINDSTREAM RED JACKT	Rural
NY	150114	ORISKANY FALLS TEL	Rural
NY	150116	PATTERSONVILLE TEL	Rural
NY	150118	PORT BYRON TEL CO	Rural
NY	150121	FRONTIER-ROCHESTER	Rural
NY	150122	FRONTIER-SENECA GORH	Rural
NY	150125	STATE TEL CO	Rural
NY	150128	FRONTIER-SYLVAN LAKE	Rural
NY	150129	TOWNSHIP TEL CO	Rural
NY	150131	TRUMANSBURG TEL CO.	Rural
NY	150133	VERNON TEL CO	Rural
NY	150135	WARWICK VALLEY-NY	Rural
NY	154532	CITIZENS-FRONTIER-NY	Rural
NY	154533	CITIZENS-FRONTIER-NY	Rural
NY	154534	CITIZENS-FRONTIER-NY	Rural
TN	290280	ARDMORE TEL CO	Rural
TN	290552	CENTURYTEL-ADAMSVILL	Rural
TN	290553	BEN LOMAND RURAL	Rural
TN	290554	BLEDSON TEL COOP	Rural
TN	290557	CENTURY-CLAIBORNE	Rural
TN	290559	CONCORD TEL EXCHANGE	Rural
TN	290561	CROCKETT TEL CO	Rural
TN	295185	SO. CENTRAL BELL -TN	Non-rural
TN	290562	DEKALB TEL COOP	Rural
TN	290565	HIGHLAND TEL COOP-TN	Rural
TN	290566	HUMPHREY'S COUNTY	Rural
TN	290567	UNITED INTER-MT-TN	Rural
TN	290570	LORETTO TEL CO	Rural
TN	290571	MILLINGTON TEL CO	Rural
TN	290573	NORTH CENTRAL COOP	Rural

TN	290574	CENTURYTEL-OOLTEWAH	Rural
TN	290575	TENNESSEE TEL CO	Rural
TN	290576	PEOPLES TEL CO	Rural
TN	290578	TELLICO TEL CO	Rural
TN	290579	TWIN LAKES TEL COOP	Rural
TN	290580	CTZENS-FRNTR-VOL ST	Rural
TN	290581	UTC OF TN	Rural
TN	290583	WEST TENNESSEE TEL	Rural
TN	290584	YORKVILLE TEL COOP	Rural
TN	290598	WEST KENTUCKY RURAL TELEPHONE	Rural
TN	294336	CITIZENS-FRONTIER-TN	Rural
VA	195040	VERIZON VIRGINIA INC	Non-rural
VA	190233	VERIZON S-VA(CONTEL)	Non-rural
VA	190217	AMELIA TEL CORP	Rural
VA	190219	BUGGS ISLAND COOP	Rural
VA	190220	BURKE'S GARDEN TEL	Rural
VA	190225	CITIZENS TEL COOP	Rural
VA	190226	NTELOS, INC.	Rural
VA	190237	HIGHLAND TEL COOP	Rural
VA	190238	MGW TEL. CO. INC.	Rural
VA	190239	NEW HOPE TEL COOP	Rural
VA	190243	PEMBROKE TEL COOP	Rural
VA	190244	PEOPLES MUTUAL TEL	Rural
VA	190248	SCOTT COUNTY COOP	Rural
VA	190249	ROANOKE & BOTETOURT	Rural
VA	190250	SHENANDOAH TEL CO	Rural
VA	190253	VIRGINIA TEL CO	Rural
VA	190254	CENTEL OF VIRGINIA	Rural
VA	190479	VERIZON SOUTH-VA	Rural
VA	190567	UNITED INTER-MT-VA	Rural
VA	193029	NEW CASTLE TEL. CO.	Rural
VA	197251	SHENANDOAH TELEPHONE COMPANY - NR	Rural